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NEWS SUMMARY

GENERAL

Syrians, Israelis still fighting

Four more Israeli soldiers were wounded as fighting intensified on the Golan Heights area. Syrian and Israeli forces were reported to be exchanging artillery and machine-gun fire.

The continuing hostilities brought a flurry of diplomatic activity, with the U.S. and UN trying to ensure that the disengagement deadlock would not interfere with the start of the peace conference on December 18.

Mr. Kenneth Rush, U.S. Assistant Secretary of State, had talks with Mrs. Golda Meir and Mr. Abba Eban, Israel's Foreign Minister, to prepare the way for next week's visit by Dr. Kissinger. Page 8

Hailsham on NIRC attack

The onslaught by Labour MPs on Sir John Donaldson, President of the National Industrial Relations Court, was a "grave constitutional issue," Lord Hailsham, the Lord Chancellor, said yesterday. Lord Hailsham hinted that the "dangerous and open threat to the rule of law," represented among other things by the criticism of Sir John, could be a dominant issue at the next election. Page 14

Record price for a Turner

The Turner masterpiece, "Val d' Aosta," has been sold to the National Gallery of Victoria, Australia, for £287,444, Thomas Agnew and Sons, the Bond Street, London, dealers disclosed. It is a record price for a work by an English artist. The painting was taken to Australia for an exhibition last March. Page 14

Anglo-Soviet talks start

Sir Alec Douglas-Home, the Foreign Secretary, and his Soviet counterpart, Mr. Gromyko, met in a calm and friendly atmosphere for the first day of their talks, writes David Lascelles. The European Security Conference was covered as well as the Middle East with both sides satisfied that good progress will have been made before Sir Alec leaves for home to-morrow. Page 6

France accused on pollution

West Germany has accused France of delaying tactics in the multi-national efforts to clean-up the Rhine—frequently described as "Europe's biggest sewer." Herr Guenter Hartkopf, State Secretary in the Bonn Interior Ministry, claims that France's promises to reduce heat and salt pollution have not been fulfilled.

Voltage reduced

Voltage was reduced by 6 per cent. throughout Britain, with the CEGB warning that reductions would be likely again to-day. The reductions are due not only to the engineers' ban on out-of-hours work but also to the Board's decision to restrict output on some oil-fired stations to conserve fuel.

All ye faithful

Mr. Heath's annual carol concert on December 16 in his home town of Broadstairs, Kent, is a sell-out. All the tickets were sold within a few minutes of going on sale.

Briefly . . .

Sir James Steel has been appointed Lord Lieutenant for the new Tyne and Wear authority from next April.

Mother of Paul Getty III has appealed to her son's kidnappers to arrange to collect the £1,400,000 ransom money.

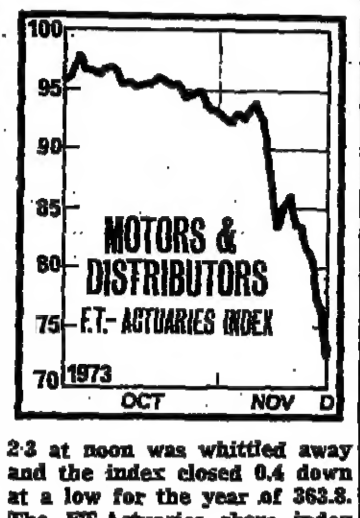
Edinburgh owner has won the £50,000 Premium Bond prize with number 6JZ 023131.

Denmark goes to the polls to-day with defeat predicted for the ruling Social Democratic Party. Page 7

BUSINESS

Wall St. off 15.73 but above the worst

● EQUITIES made a steadier showing in a day which saw a marked contraction of business. The official markings of 6,116 were the lowest for a Monday since September 24. The FT 30-share index rise of 2.3 at noon was whittled away and the index closed 0.4 down at a low for the year of 363.8. The FT-Actuaries share index for Motors and Distributors lost 3.5 per cent. to 72.52. This makes a fall of 21.79 per cent. during the State of Emergency.



● GILTS began cautiously then gradually improved, although demand was small. Gains in shorts, mainly to ⅛, were held at the close but mediums and longs gave up ⅛ rises to close unchanged.

● GOLD sold for $100.25 an ounce, a fall of $4.25.

● STERLING slipped back a little against the dollar, from $2.3430 to $2.3405. Trade weighted depreciation was 18.1 ounce, a fall of $1.25.

● WALL STREET, after a late rally, closed at 806.52, a loss of 15.73. Earlier, it had fallen as low as 802.08.

● NEW PEAKS were reached in London for cash tin (up £40 to £2,760 a tonne), copper (£1,082½, up £17½) and lead (up £28½ to £278). Page 27

EEC gold pool plan postponed

● FIRM OPPOSITION from France, Germany and Holland forced the nine EEC countries to postpone plans to start pooling their gold and foreign currency resources from next year. Back Page

● WORK in many ports was halted yesterday when half Britain's 34,500 dockers responded to an unofficial call for a one-day docks strike. Page 21

● SPILLERS FRENCH, Britain's second biggest bakery group, has submitted asked the Price Commission for a fourth price rise on bread this year.

● FEARS arose yesterday that London ambulancemen might stage weekly two-day strikes—withdrawing even emergency cover—in support of their demand for a basics weekly wage of £40. Page 21

● AN ASSESSMENT of how the oil crisis has affected British industry's plans for capital investment next year is being conducted by the DTI. Back Page

● FIRST NATIONAL Bank of Chicago raised its prime rate to 9.9 per cent. from 9.75 per cent.

● BRITISH AIRWAYS is cutting about 50 Heathrow flights this week to save fuel. Page 13

● SPECIAL RISES of from £1.15 to about £3 are to be paid under Stage Three "anomaly" provisions to 14,500 messengers and clerks who form the lowest-paid white-collar Civil Service grades. Page 12

● YORKSHIRE BANK and the Scottish clearing banks have turned down invitations to become members of the London clearing house. Page 14

CHIEF PRICE CHANGES

(Prices in pence unless otherwise indicated)

RISES		
Treasury 6pc 1975	£93¼	+ ¼
Brit. & Canadian Invs.	73	+ 6
Paterson Zochonis A	250	+ 10
Laurla (G.)	82	+ 4
Swan Hunter	120	+ 5
Weston Pharm.	74	+ 3
Emperor Mines	190	+ 10
FALLS		
Abercom Invs.	260	− 14
Amal. Inv. & Prop.	127	− 8
Amari	78	− 5
Anglo-Swiss	49	− 19
British Car Auction	72	− 8
Slater Ryder	230	− 10
Costain (R.)	125	− 5
English China Clay	100	− 7
Hammerson "A"	570	− 25
Heath (C. E.)	252½	− 12½
Jardine Matheson	360	− 15
Knott Mill	41	− 6
Law Land	128	− 5
Lucas (J.)	116	− 5
Northern Devels.	90	− 6
Pentland Inds.	14	− 6
Philips' Lamp	638	− 22
Powell Duffryn	136	− 11
Staveley Inds.	126	− 5
Tarmac	156	− 9
Vavasseur (J. H.)	110	− 15
Whittingham (Wm.)	108	− 10
Williams Hudson	91½	− 8½
Tricentrol	167	− 6
Guthrie	316	− 6
Cons. Murchison	380	− 10
De Beers Dfd.	265	− 4
Doornfontein	355	− 10
Kloof Gold	680	− 10
Northgate Explor.	220	− 10
Pot. Platinums	145	− 8
Pres. Brand	990	− 25

(FT stock indices and FT-Actuaries summary Page 35.)

ASLEF calls ban on overtime and Sunday working

BY ROY ROGERS, LABOUR CORRESPONDENT

A week's notice of a ban on co-operation, overtime, rest-day and Sunday working was given by trains drivers' leaders last night.

The action, which begins from the morning of December 12, follows the breakdown of pay talks last Friday.

A British Rail spokesman said the sanctions would mean widespread cancellations and delays and no trains at all on Sundays. British Rail in general, and Southern Region in particular, rely heavily on rest-day working and overtime.

Mr. Ray Buckton, general secretary of the drivers' union, the Amalgamated Society of Locomotive Engineers and Firemen, said last night after a four-and-a-half-hour meeting of his executive that they had favoured the sanctions unanimously.

ANGRY

They felt there was no point in pursuing their claim further through the railway staff national council or the industry's tribunal procedure, he added.

The men were very angry said Mr. Buckton and British Rail would have to improve the payments it was offering for unsocial hours, skill and responsibility and on mileage bonus arrangements to avert the threatened action.

At Friday's meeting of the Railway Staff National Council, British Rail refused to improve its £52m. pay restructuring package covering its 260,000 workers.

All three rail unions have rejected the proposals, although the National Union of Railwaymen and the Transport Salaried Staffs Association believe a negotiated settlement to be close.

ASLEF members stand to benefit by up to £6.20 a week from the proposals, 60 per cent. of which are scheduled to come in on January 1 with the remainder being phased in over the next two years.

Unofficial industrial action threatened for yesterday by 500 drivers on Southern Region's South-Eastern Division was called off at the request of Mr. Buckton.

This was no consolation, however, for many Southern Region commuters who were hit by serious disruption yesterday morning when Charing Cross station remained closed until non because week-end engineering work ran behind schedule. This caused may delays and diversion of services.

The locomen's union leaders are protesting against what they have been offered by British Rail. But even if this hurdle were to be cleared, there would still be a serious problem over whether any railway settlement could be accepted under the Government's Stage Three pay limits. This is because the railwaymen want their normal pay rises next spring in addition to the pay restructuring increases and this seems unlikely to be possible under Stage Three.

While the other two railway unions might be prepared to try to reach some understanding on these problems with British Rail within the Stage Three limits, there is no sign of ASLEF being prepared to do so. The build-up of militancy in other industries over Stage Three is also likely to encourage the railwaymen to to adopt a militant stance themselves.

New strain

John Elliott writes: ASLEF's decision to call industrial action comes at a time when the Government is facing increasingly serious labour troubles elsewhere and when the economy is already under strain from the energy crisis. The impact of heavily curtailed rail services on communications would be increased by curbs on road travel already caused by petrol shortages.

In this context, with a long line of pay claims building up, one of the first priorities for Mr. William Whitelaw, Secretary for Employment, must be to try to get peace in the coalfields and on the railways. There is no sign however of the Government being prepared to relax its pay limits and Ministers are at present basing their hopes on Mr. Whitelaw being able to build up a new rapport with TUC leaders which would help to take the sting out of some of their potential militancy.

TGWU seeks all-out union attack on Government

BY JOHN ELLIOTT, LABOUR EDITOR

MOVES for trade union leaders to mount a frontal assault on the Government's economic policies were initiated yesterday by the Transport and General Workers' Union, which is calling on the TUC to organise a special protest Congress early in the New Year.

The timing of the call was influenced by the appointment as Secretary for Employment of Mr. William Whitelaw and is intended to lead to a build-up of massive opposition to various Government policies including Stage Three and the Industrial Relations Act as well as a reappraisal of Government policies because of the energy crisis.

The TGWU has not ruled out the idea of the Congress—which would be presented with an alternative TUC economic and industrial policy—being asked to organise industrial action.

To-day Mr. Jack Jones, TGWU general secretary, is expected to call at a Labour Party rally in London for a one-day national strike to be staged next February in support of improved pensions.

These developments — which will be opposed by "moderate" TUC leaders—stemmed from a meeting yesterday of the TGWU's national executive and will now be considered by the TUC whose economic committee meets to-morrow week with its general council assembling a week later.

Announcing his union's decisions last night, Mr. Jones explained that, although linked with the miners' and other disputes, they did not directly stem from them. TGWU leaders are also concerned about the effects of energy problems and the economic situation on their members' jobs.

The Congress, which could be held early next year, would be to co-ordinate opposition to Stage Three, the Industrial Relations Act (which is being debated in the Commons to-day), and the Government's general economic policy.

"If Mr. Whitelaw is going to be the new man at the Department of Employment, then now is a good time for a change in Government policy," declared Mr. Jones, who wants a return to free wage bargaining with new conciliation and arbitration procedures.

Mr. Jones, who knows Mr. Whitelaw—both are visiting Fellows at Nuffield College, Oxford—last night warned him that he was facing "a bigger problem than Northern Ireland."

Mr. Whitelaw could be "decisive in changing Government policy," said Mr. Jones, foreshadowing numerous calls likely to be made on Mr. Whitelaw by union leaders to alter policies.

To-day, Mr. Whitelaw is expected to take the opportunity of the Commons debate on the Act to spell out some of his hopes for the future. He will then meet some union leaders to-morrow at the monthly meeting of the National Economic Development Council—which might be missed by Mr. Jones, whose national executive will be continuing with its meetings.

The possibility of an early meeting with senior TUC leaders in Downing Street or at Mr. Whitelaw's department has also not been ruled out.

At the meetings of the TUC economic committee and general council, the TUC's new general secretary, Mr. Len Murray, will face a crucial test of his influence and judgment because the TUC would not want to call a Congress without some specific purpose. Recently, TUC leaders have decided against arranging a Congress for the simple reason that there seemed little that could be achieved.

The TUC economic committee meets a day before the crucial meeting of the National Union of Mineworkers' national executive and could influence if and how the miners' leaders decide to put their pay dispute to a ballot of their members.

Calling a special Congress could also help to polarise militancy in the considerable number of public sector pay negotiations now queueing up behind the miners.

For this reason, it seems likely to be opposed by moderates among the TUC leaders who, while stoutly opposing Government policies, do not see the sense in staging a confrontation so close to a possible General Election.

'Basically solvent' verdict given on L and C, says Thorpe

BY NICHOLAS OWEN

AGREEMENT on a rescue package for London and County Securities is proving difficult to reach. The four companies trying to secure L and C's future hoped to produce solid proposals yesterday, but discussions were still going on last night.

In the Commons, Mr. Jeremy Thorpe, the Liberal leader, who is on the L and C Board, indicated that investigations over the weekend by National Westminster Bank and merchant banker Keyser Ullmann had shown L and C was basically solvent.

Also involved in the discussions in the City, are Eagle Star Insurance and the UDS Group, and whatever form the rescue takes, it is likely to involve major Board changes at L and C.

An outright takeover of L and C seems the solution aimed at by the four, but the purchaser is likely to be sought outside the quartet.

The discussions which began at the week-end continued yesterday, mostly at Keyser's headquarters, and a new round of meetings got under way

Particular concern is felt in the City because of the number of "small" banking customers involved — there are 12,500 of them with £15m. deposited with L and C's in-store branches — although there has been no sign of a serious "run" on the banking operation. Customers seeking to withdraw funds yesterday were being held to the terms of individual deposits.

Commons jeers

Mr. Thorpe's declaration of solvency came in the course of questions to Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, who told MPs the present situation at L and C did not appear to have arisen from circumstances which could lead to the Department of Trade and Industry exercising its statutory powers.

Mr. Thorpe asked the Minister whether he was aware that NatWest and Keyser Ullmann took the view that L and C's assets exceed its liabilities.

There were jeers from Labour MPs when Mr. Thorpe went on: "While it is perfectly proper that the House of Commons should show concern about this, it is in the best interests of depositors that discussions should continue with a minimum of publicity."

Sir Geoffrey said that DTI inquiries—started after the company's last annual meeting—were still continuing. There had been disputes about the cost of acquiring control of a subsidiary and about loans made to directors. DTI officials had interviewed L and C's secretary "and obtained answers which appeared to be acceptable." The Minister added that "further information" very recently passed to the DTI was being studied.

Mr. Wedgwood Benn, Opposition spokesman on Trade and Industry affairs, called for a formal DTI inquiry, particularly as it appeared small depositors could suffer.

"Once again they are the victims of City operations, which are causing great anxiety elsewhere. Does the Government connect, in its own mind, this type of abuse of power in the City with the appeal it is making for wage restraint?" he added.

● A full meeting of the City Takeover Panel was held yesterday to investigate the controversial recent takeover of Grendon Trust by the private interests of Mr. Christopher Selmes, the 28-year-old millionaire.

Parliament, Page 12

China to buy 15 more Tridents

By Michael Donne, Aerospace Correspondent

CHINA is buying another 15 Trident jet airliners from Hawker Siddeley Aviation, worth £50m. This deal, signed in Peking last Saturday, brings to 35 the number of Tridents bought by China, worth over £120m.

In value, it is the biggest single civil aircraft export order yet won by Britain.

In addition to these new aircraft, China also has three second-hand aircraft bought some time ago from Pakistan International Airlines, so that its total fleet will now be 38.

The deal brings total world orders for Tridents to 117 aircraft.

The new aircraft now ordered are medium- to long-range Trident 2Es, capable of flying 2,500 miles with up to 100 passengers.

Hiring

Delivery will start in the autumn of 1975, following deliveries of the aircraft ordered earlier. Thus, continuity of employment is assured at Hatfield through until late 1976, by which time the new Hawker Siddeley HS-146 feeder-liner project will be moving into quantity production.

Hawker Siddeley is already short of skilled production workers at Hatfield and is hiring for the HS-146 programme. It is not expected to take on additional workers to meet the Trident line's needs, however.

Rolls-Royce (1971) will share in the order, with about £15m for its Spey engines, three of which power each Trident. The overall Chinese purchase of 35 Tridents is worth £35m. to Rolls-Royce.

The latest deal also considerably strengthens Rolls-Royce's position in negotiating a contract for the sale of Spey engine manufacturing rights to China.

At a time when world orders for new aircraft have fallen off because of the uncertain fuel situation, the Chinese order is doubly welcome to Hawker Siddeley.

The view in the U.K. aerospace industry is that China could prove one of the few markets consistently requiring new aircraft in the period ahead.

As a result, other manufacturers are lobbying intensively for orders. Over the week-end, Aérospatiale, the French manufacturer, announced it had sold 13 civil Super-Frelon helicopters to China, worth about £15m.

£ in New York

—	December 3	Previous
Spot	$2.3398-3403	$2.3435-3440
1 month	1.05-0.95 dis	0.86-0.81 dis
3 months	3.30-3.20 dis	3.26-3.21 dis
12 months	12.85-12.75 dis	12.65-12.55 dis

Motor fuel position is worsening

BY PAUL ELLMAN and RAY DAFTER

THE CAR and lorry fuel situation worsened yesterday amid signs that many garages have already used up allocations due to last until December 12, the day the Government's 10 per cent. cutback order expires.

Only 30 per cent. of London's filling stations were open, according to the Automobile Association, and police were called in to control queues of motorists waiting to fill up after the almost completely "dry" week-end.

The diesel fuel situation throughout the country was described as "pretty desperate." A random check by the AA revealed that 80 per cent. of garages on major roads were now out of DERV.

The oil companies, meanwhile, warned that the situation could worsen even further over the next ten days as garages use up their full quotas under the cutback in supplies ordered by the Government to run from November 20 to December 12.

At the same time, the first signs have appeared of a sharp fall in U.K. car sales. After a strong demand in the first 20 days of November, the market has weakened in the past fortnight, a reaction to fears of continuing petrol shortages.

The oil industry, nevertheless, feels that current difficulties in petrol supplies could help the longer term situation.

Because of Government restrictions the oil companies are not allowed to deliver more petrol. Between now and December 12, the companies can therefore build up stocks.

The industry's emergency committee heard at a meeting yesterday that the central stock of petrol (at present just above the minimum operating level of 45 days) had not deteriorated in recent days.

December 12 is regarded as crucial by the oil industry for two main reasons: it would be a convenient date for amending the extent or range of restrictions; it is also about the time when companies hope to receive approval for price increases.

The Oil Industry Emergency Committee feels that Britain's motorists are using most of their 65m. gallons of car storage capacity for petrol as a result of recent "panic buying." This storage is equivalent to some five days' supply. Now that many garages have run out of stocks, this stock may act as a cushion.

London's taxi drivers claimed yesterday they were being forced off the road through shortages of fuel and estimated that night services have been reduced by 60 per cent.

British Airways announced that 50 flights to and from Heathrow have been cancelled this week and warned that further cuts could come if the fuel situation worsens.

Parliament, Page 12
Oil developments, Page 13

As long queues formed at filling stations, warnings came from garage owners' organisations that their members are facing bankruptcy unless the supply situation is eased.

The ,000-member Petroleum Retailers' Association said the number of its members already closed through lack of supplies was "into three figures." It said many of these would probably never reopen

The Road Haulage Association, which is in daily touch with the Department of Trade and Industry and the Department of the Environment over the shortage of diesel fuel, has told its members to start approaching regional DTI officers for help.

Road hauliers who are not using their own stocks of diesel fuel and sending their drivers to filling station pumps are blamed by the oil companies for the shortages in this area, which saw no diesel fuel available yesterday on the M4.

Shell-Mex and BP, Britain's biggest fuel distributors, affirmed that it is supplying contractors and filling stations in terms of their contracts—less Government-ordered decrease

ON OTHER PAGES

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

Architectural standards · Compulsory buying of NT land

Sir,—I endorse Mr. Michael Goodwin's view (November 28) that quantity surveyors could emerge over the next ten years as leaders of the professional team. If, however, the Royal Institute of Chartered Surveyorr extended its qualification requirements to include a standard of commercial competency which embraced the real economics of building, then I would be in no doubt that quantity surveyors should become the leaders.

Regretfully many surveyors are not yet so experienced and as a result their influence and monitoring is often without bite. Until such time, therefore, as this particular branch of the profession is qualified to lead projects, is not the answer to be found in appointing others in the industry who are already broad enough to uphold a proper balance between architectural and other standards, and the fundamentals of a project's concept?

The construction industry is much maligned but fortunately it contains many established business houses where quality is not measured by their financial dividends. These companies therefore, who with their business acumen also want to and can maintain standards, surely hold the right qualifications to lead teams. Such companies have proved that architectural, functional and better time completion standards can be provided within acceptable and independently checked budgets. This service need not preclude the client nominating the architect or other professionals; alternatively the contractor selects such of these gentlemen who with his knowledge are best experienced for a particular project.

Responsible contractors have adapted to the changing requirements; many of our professional colleagues still require the experience so to do.

C. A. J. Robinson,
Managing Director,
Staverton Contractors,
Totnes, Devon.

The battle of Drumbuie

Sir,—Brian Cameron Docherty's letter in your edition of November 26 is most welcome. It perhaps requires bringing up-to-date with the news, released since he wrote it, that the Mowlem proposal for the Ullapool development of oil concrete platforms has been dropped.

This, therefore, focuses even more attention on the Drumbuie site. The public local inquiry into this project, after two weeks in session, will reconvene on December 17 for a third week, and then continue as necessary in January and even February.

The National Trust for Scotland owns the estate of Balmacara of which the whole of Drumbuie is a part. It was accepted as a bequest in 1946 and declared inalienable to be held for the benefit of the nation. This means that if the Trust refuses, development can only take place compulsorily after the full process of Parliamentary debate.

The Trust challenges the right of the individual consortium of building contractors to take this land, and the contractors are now promoting a Provisional Order with the intention of acquiring it by compulsory purchase.

The Trust is supported by those crofters whose lands and way of life will be affected and it should be noted that the Crofters' Commission in its submission to the Secretary of State for Scotland has also found against the Drumbuie proposals. Add to this, the support of nearly 400 objectors banded together to form the North/West Action Group, as well as the evidence of the Countryside Commission for Scotland, and it should be beyond question that the inalienable lands of the Trust remain secure.

The Trust is not opposed to development of appropriate scale and in the right locations, but it is wholly wrong to bring into this area of separate and individual communities a large labour force—more than 600 workers are needed for the project—for a limited period of 10/15 years, all being paid wages that will completely upset the local structure of society.

This view is shared by the local authority, Ross and Cromarty County Council, who are also objectors at the inquiry. This council, having had to deal with the massive developments in the Cromarty Firth area, has intensive experience of what the Drumbuie proposals entail.

This area, in addition, has its own intrinsic national asset value in terms of culture, scenery and recreation factors, which become even more important with the build-up of industrial development on the East Coast.

The challenge which faces us all—contractors, conservationists and local and central government alike—is to find ways and means, even at some apparent sacrifice in immediate profits to individual developers, of building platforms for deep water without destroying other assets of national, even of international importance.

It has been clearly demonstrated that the Trust's resistance is fully supported by a wide public. We have received, so far, over £20,000 from 5,000 members of the Trust and other benefactors.

The issues to be resolved over Drumbuie may accelerate the formation at Government level of a rationale from which a national strategy will emerge.

The enormous expenditure of time and money by the Trust and its supporters in the thorough preparation and presentation of its case may well prove to be worthwhile not only in protecting this particular part of our West Coast from inappropriate developments but in calling attention to the urgent need for planning in absolute terms for future developments of such large dimensions with all their social and economic consequences.

J. C. Stormonth Darling,
Director,
National Trust for Scotland,
5, Charlotte Square,
Edinburgh.

Who governs whom?

Sir,—Mr. Harold Wilson's recent statements have, rightly I think, been construed as an incitement to the miners to continue their industrial action in an attempt to wreck Stage Three of the Government's anti-inflation policy, and indeed I myself heard the secretary of the National Union of Mineworkers specifically state so on TV.

Why does it seem to be so difficult to make the middle of the road man, who is so often apathetic until it is too late, to see that the stages in the drama which we are now witnessing must, unless reversed, follow an inevitable and well-planned pattern, namely:—

1—The reversal of "opting in" for an additional sum to be paid with the trade union subscription for political purposes. It is unnecessary to elaborate on why this adds greatly to the funds available to the trade unions which can be used for political ends now that a member has to "opt out."

2—The very considerable support that Labour candidates for seats in Parliament receive from trade union funds, which renders them liable to powerful, if not always disclosed, pressure from the trade unions.

3—The extent to which these pressures have been applied in an increasing degree are noticeable in the killing off of Barbara Castle's "In place of strife," and Harold Wilson's recent public pronouncements during the present industrial action by the miners.

4—If a Socialist Government is returned to power at the next election then all those who from prudence or apathy have sat on the fence will be very sad people when it is too late.

To anticipate any criticism of my own views on this matter, I agree that trade unions are a necessary part of the industrial scene, and that they have done excellent work on behalf of their members, much of which was necessary.

My objection is to the ultimate object of Hugh Scanlon, Jack Jones, Joe Gormley, etc., of taking over the government of the country.

S. McCombie.
Festina Lente,
Back Road, Middleton,
Saxmundham, Suffolk.

The coal weapon

Sir,—It seems that the Government has now decided to cut back on oil usage and, as part of a national fuel policy, to expand coal production—thus giving even more power to the miners than they already possess. Does anyone really believe that the miners are less likely to use this power for their own advantage than, say, the Arabs are now using oil for theirs?

On all present evidence such optimism would appear ill-founded. Lord Stokes, and others in the industry, have said recently that petrol may soon be £1 a gallon. How long before coal is £100 a ton?

R. Nairn.
22, Ringwood Road,
Ferndown, Dorset.

Ban overtime by law

Sir,—With reference to the letter by R. Spick, suggesting that overtime worked should not be taxed; I would humbly suggest that overtime worked should not be paid. One of the most divisive arrangements in many industries is that monthly paid staff are not paid additionally for hours worked "overtime," whereas hourly paid workers normally expect to be paid at enhanced rates for such hours.

Full-time men manual workers averaged 45 hours per week in 1972, after excluding time lost through strikes, sickness and other absences (where not paid), amounting to nearly 200m. man-days. Industries which need to pay manual workers to work overtime on a regular basis are characterised by weak, inefficient management, generally opposed by monopolistic trades unions. If manual workers really want a 40-hour working week, let them work their 40 hours and then go home to enjoy their leisure.

Let the worker show he is worthy of his hire, by voluntarily giving up his overtime "perks," and institute a system of penal taxes for employers who cannot arrange their businesses without overtime working.

Mr. Spick says "no one can be forced to work more than 40 hours a week." This is only true in so far as no one can be forced to work, but many agreements between trades unions and employers still contain clauses setting out a basic working week of over 40 hours.

If we carry out Mr. Spick's idea of non-taxable overtime, after a basic 40 hour week, under the present system, we will have decreased productivity, sustained inflation, and a willingness to work longer hours because it will be "money for old rope."

Ban overtime by law!

K. W. Collins,
39, Whitefriars, Rushden,
Northants.

Blocked Rand

Sir,—In your Overseas Markets feature of November 29 it states "London operators have been creating blocked rand . . ."

It is obvious that with the prevailing discount between the two centres there are gains to be made by buying Kaffirs in London, selling them in Johannesburg and waiting for a reduction in the present discount before investing the blocked rands so created for eventual repatriation to this country.

As a South African resident is precluded from buying shares in London and a U.K. resident under the Exchange Control Regulations is similarly precluded from selling his shares in South Africa I shall be grateful if you will enlighten me as to who are the apparent favoured dealers who are permitted to thus profitably create blocked rand and what chance does an ordinary citizen have of obtaining Bank of England permission to do likewise?

D. V. S. Berrington,
295, Regent Street, W.1.

Pollution savings

Sir, — Joe Rogaly claims (November 27) that there is no way round the contradiction that environmentalists are concerned about resource depletion and pollution, because, he argues, pollution control causes further expenditure of real resources. I should like to challenge this statement by describing two examples.

Firstly, one of the by-products (unexpected?) of the Clean Air Acts was the development of more efficient boilers which led to more complete combustion of fuel, thus reducing both consumption and pollution. Secondly consider the work done on the control of emissions from car exhausts. The problem was defined purely in terms of pollution control hence the solution is effective in this respect but wasteful of fuel.

What would be the consequence of re-defining the problem more broadly—how to devise a means of propulsion for personal mobility which is more economical with fuel and causes less exhaust emission? Alternatively the problem can be defined at two more fundamental levels—(a) how to devise a means of mobility which is non-polluting and uses less energy preferably from a renewable source or (b) how to reduce mobility by developing improved telecommunications.

Colin Hutchinson,
(Chairman).
The Conservation Society.
34, Bridge Street,
Walton-on-Thames, Surrey.

Managers as lecturers

Sir,—Mr. E. G. Wood (November 29) has once again struck straight to the heart of a growing national problem in his letter concerning adult education.

After the "Age of the younger man," which produced some rather extreme styles and actions following the dreary period of "old men only" rule, business seems to be returning to a relatively balanced style of management, with the older management providing the experience to balance the impetuosity of youth.

For the older men to be able to assimilate and understand new techniques with sufficient speed and lack of emotion, an enormous involvement in adult education in relation to the business world is needed, and needed now . . . not just in designing courses, and buildings to put them in, but in carrying out more research as to the most suitable courses for the coming few years, and then getting out and selling these.

It is probably only natural for a manager, once established, to wish to appear completely educated, and not to want to expose himself to his staff by "returning to school." Perhaps someone of Mr. Wood's stature can suggest an approach here?

Further, as almost any ex-student can testify, taking a course which is anything other than full time can appear to the participant to be an enormous and often intolerable intrusion into leisure time, a factor which might well bear consideration in these days of enhanced awareness of managerial psychology and stress factors.

Perhaps the larger companies would start the ball rolling by making the "sabbatical year" as an outside lecturer more available to their senior men, and using some form of day-release as a bridge between the five- and the four-day week?

J. Anderson.
6, Wayside Road,
Macclesfield, Cheshire.

Bottle-saving actions

Sir,—I was most interested to see the article in your newspaper dated November 28 and headed "Good response to appeal for return of bottles."

It is gratifying to see that the advertising campaign being carried out by the Royal Arsenal Co-operative Society is leading to an improvement in the return ratio of their glass bottles. I venture to suggest that a further contributory factor in this situation is the decision of the RACS to increase the supply of cartons for shop delivery and for other areas of risk to glass bottles such as high rise flats. This brings a saving of a substantial quantity of bottles per day.

The rectangular Brik cartons which replace the bottles are easily stored by housewives in refrigerators and present no ecological problems as they are completely biodegradeable. Furthermore they save considerable space and weight in the distribution chain and improve the lot of the dairy worker.

K. J. S. Paterson,
Managing Director.
Tetra Pak
Orchard Road,
Lower Richmond Road,
Richmond, Surrey.

Incidence of cancer

Sir,—With reference to David Fishlock's article (Nov. 28) concerning the lower than expected incidence of cancer among nuclear industry workers, may I point out that in a study of the incidence of bladder tumours among four thousand deceased dye-stuffs workers by Dr. Case in 1954, examination of the 4,000 death certificates showed 127 cases of bladder tumours as cause of death, against the expected incidence of four deaths attributable to bladder cancer. Examination of hospital records, coroners' reports as well as in views with surviving relatives. Dr. Case, however, revealed additional 135 cases making total of 262.

The published figures indi ing 85 per cent. of the exp incidence of malignant plasms among UKAEA em ees are presumably base information extracted death certificates which fo international rules for de the cause of death, and in cases the death may be assi to some other disease cate or to intercurrent illness.

The "New Scientist" re stated that: "Any individua has the misfortune to co cancer and to work for nuclear industry at some can be assured of a protr fight to establish who should for the privilege of burying corpse and protecting dependants."

The statement by Sir Windeyer of the National Ra logical Protection Board of than average malignancy a nuclear industry workers not give the whole picture.

V. M. Fellas,
Cancer Prevention Research Trust.
93-97, Regent Street, W.1.

Incentive to save

Sir,—I am surprised to that Professor Gal (November 22) is recomm ing higher taxes as the for inflation. We have this before and history tea us it does not work. Hig taxes lead to demands for hi income so that cost infla replaces demand inflation.

A policy we have not but which may work is to re taxes on savings income. suggestion would be to ex from tax investment income to the percentage of total in represented by the year of attained by the taxpayer in year of assessment.

This policy would give a tinuous incentive to save order to derive optimum benefit in future years; an in tive for any idle rich who still survive to get out to w to obtain earned income optimise their tax benefits investment income; minim benefits for the young but m mum benefits for the old because they are dependent the income from their sav are the main sufferers from effects of inflation. The centenarians would, of co achieve the enviable situation total exemption from tax their savings income.

R. A. Parfitt.
28, Blagrove Lane,
Wokingham, Berks.

TV/Radio

BBC 1

† Indicates programme in black and white.

11.10 a.m. For Schools, Colleges. 12.30 p.m. Telewele. 12.55 News. 1.00 Pebble Mill at One. 1.45 Along the Trail. †2.05 The Game That Got Away (portrait of Rugby League). 3.00 A Funny Thing . . .: Jack Warner with memories from show business. 3.05 Petticoat Junction. 3.30 Day and Night. 4.00 Play School. 4.25 Huckleberry Hound. 4.35 Jackanory. 4.50 Animal Magic. 5.15 John Craven's Newsround. 5.20 Screen Test. 5.45 News. †6.00 Nationwide.

6.50 Mickey Mouse.
6.55 Star Trek.
7.45 Steptoe and Son.
8.15 Spy Trap.
9.00 Nine O'clock News.
9.25 Last Night, Another Soldier . . .
10.25 Film '73.
10.55 Midweek.
11.40 Late Night News.
11.45 The Affirmative Way: John Petts, artist and sculptor.

All Regions as BBC 1 except at the following times:—

Wales—5.20-5.45 p.m. Telewele. 6.00-6.50 Wales To-day. 6.50-7.15 Heddlw. †7.15-7.45 Ffordd o Siarad. 7.45-8.15 Some Mothers Do 'Ave 'Em. 10.25-10.55 Sports Line-up. †12.07 a.m. News of Wales.

Scotland—6.00-6.50 p.m. Reporting Scotland. 10.25-10.55 Se Ur Beatha. †12.07 a.m. Scottish News Headlines.

Northern Ireland—6.00-6.50 p.m. Scene Around Six. 10.25-10.55 Oisin's Wall. †12.07 a.m. Northern Ireland News Headlines.

England—6.00-6.50 p.m. †Look North (from Leeds, Manchester, Newcastle): †Midlands To-day (from Birmingham); †Look East (from Norwich); Points West (from Bristol); †South To-day (from Southampton); †Spotlight South-West (from Plymouth). 10.25-10.55 †North (from Leeds) The Object in Question; North-West (from Manchester) That Stuart Hall Show!; North-East (from Newcastle) A Pitmen's Academy; Midlands (from Birmingham) Contact; West (from Bristol) Beat the Expert; †South-West (from Plymouth) Peninsula; South (from Southampton) One Man Show; †East Anglia (from Norwich); On Camera; †12.07 a.m. Regional News Headlines.

BBC 2

11.00 a.m. Play School.
6.35 p.m. Early Years at School.
7.00 Before the Ark.
7.30 News Summary.
7.35 Wheelbase.
8.15 Floodlit Rugby League for the BBC 2 Trophy: Bramley v St. Helens.
9.00 Robert Donat in "Lease Of Life."
10.30 The Old Grey Whistle Test.
11.00 News Extra.

LONDON

9.30 a.m. Men of the Sea. 10.20 Batman. 10.40 Riptide. 11.30 Let's Face It. 12.00 The Daily Fable. 12.05 p.m. Rainbow. 12.25 Amazingly Enough It's Rod Hull and Emu. 12.40 First Report: News, FT index. 1.00 Where Are They Now? 1.30 Emmerdale Farm. 2.00 Marked Personal. 2.30 Good Afternoon! 3.00 About Britain. 3.25 The Saint. 4.25 The Sooty Show. 4.50 Magpie. 5.20 The Doris Day Show.

5.50 News from ITN.
6.00 To-day.
6.30 Crossroads.
6.55 My Good Woman.
7.25 The Action Film: "Day Of The Evil Gun," starring Glen Ford.
9.00 Elton John and Bernie Taupin Say . . .
10.00 News at Ten.
10.20 Love Story.
11.30 Armchair 30.
12.00 Ideas in Print: Michael Nelson talks to Anthony Smith about his new book, "The Shadow In The Cave."

All ITV Regions as London except at the following times:—

ANGLIA

9.40 a.m. Your Choice. 9.45 Just Routine. 10.15 Cartoon. 10.25 The Protectors. 10.50 Survival. 11.15 The Galloping Gourmet. 11.40 The Dave Cash Radio Programme. 2.30 p.m. About Women. †3.25 Danger Man. 5.20 The Partners. 6.00 About Anglia. 7.00 Cartoon. 7.05 Mystery Movie—Banacek. 8.30 My Good Woman. 12.00 Reflection.

ATV MIDLANDS

9.30 a.m. The Forest Rangers. 10.15 Angling To-day. 10.40 Getting Your Money's Worth. 11.10 Women To-day. 11.35 The Galloping Gourmet. 12.00 George Canty. 2.30 p.m. Women To-day. 3.30 The Whiteoaks of Jalna. 5.20 I Dream of Jeannie. 6.00 ATV To-day. 7.00 My Good Woman. 7.30 Cartoon Time. 7.35 Mystery Movie: McMillan and Wife. 12.00 The Adventurer. 12.25 George Canty.

CHANNEL

12.55 p.m. Channel Lunchtime News. 2.30 Worth To-day. 3.25 The Whiteoaks of Jalna. 5.20 Wait till your Father Gets Home. 6.00 Report at Six. 7.00 My Good Woman. 7.30 Curtain Raiser. 7.35 Mystery Movie: Banacek. 11.55 The Silent Force. 12.25 a.m. Commentaires et Previsions Meteorologiques.

GRAMPIAN

10.00 a.m. Woobinda. 10.30 Yoga for Health. 10.55 Manfred. 11.05 The Saint. 12.03 p.m. Mid-Day Round-Up. 2.30 Good Living. 3.25 Randall and Hopkirk (Deceased). 5.20 The Doris Day Show. 6.00 Grampian News. 6.05 Country Focus. 7.00 My Good Woman. 7.30 Cartoon Time. 7.35 Mystery Movie: McMillan and Wife. 12.00 Meditation.

GRANADA

9.30 a.m. Here Comes the Future. 9.55 Delta. 10.40 Funky Phantom. 11.05 Man and his World. 11.25 Galloping Gourmet. 11.50 Cartoon Time. 2.30 p.m. Yoga for Health. 3.25 Man in a Suitcase. 5.15 Nature's Window. 5.20 Crossroads. 6.00 Granada Reports followed by Police File. 6.35 Bridget Loves Bernie. 7.00 Mystery Movie: "And No One Could Save Her," starring Lee Remick. 8.25 My Good Woman.

HTV

9.40 a.m. Cymraeg I Bawb—Welsh Lessons for Beginners. 9.55 Bygones . . . visit Wales. 10.20 The Galloping Gourmet. 10.45 Sesame Street. 11.40 The Dave Cash Radio Programme. 2.30 p.m. Houseparty. 5.20 Daily Fable. 5.25 Crossroads. 6.01 Report West. 6.18 Report Wales. 6.35 The Partners. 7.05 My Good Woman. 7.35 Mystery Movie: Columbo. 12.00 Pig and Whistle.

SCOTTISH

9.30 a.m. Yoga for Health. 9.55 When the Fancy Takes You. 10.25 The Saga of Western Man. 11.15 Whicker in Europe. 11.40 The Partners. 2.30 p.m. Housecall. 3.30 To See Ourselves. 4.00 Anna and the King. 5.20 Daily Fable. 5.25 Crossroads. 6.00 Scotland To-day. 6.30 The Protectors. 7.37 Feature Film: "Blackwater Gold," starring Ricardo Montalban. 12.00 Late Call. 12.05 a.m. The Wonderful World of Golf.

SOUTHERN

9.35 a.m. Sailing in Newfoundland. 9.55 The Enchanted House. 10.05 Yoga for Health. †10.30 "A Boy A Girl and a Bike," starring John McCallum and Honor Blackman. 12.00 Southern News. 2.30 p.m. Houseparty. 5.20 The Daily Fable. 5.25 Crossroads. 6.00 Day By Day. 6.35 Survival. 7.05 My Good Woman. 7.35 Barnaby Jones. 8.30 Billy Liar. 12.00 Southern News Extra. 12.10 a.m. The Adventurer.

TYNE TEES

9.35 a.m. Four Holiday Postcards. 9.48 Stingray. 10.05 Western Civilisation. 10.30 Ed Allen Time. 10.55 Felix the Cat. 11.05 Mekong Downstream. 11.50 Cartoon Time. 2.30 p.m. Good Living. 5.20 F Troop. 6.00 To-day at Six. 7.30 Cartoon Time. 7.35 Mystery Movie: McMillan and Wife. 12.00 Late News Extra. 12.15 a.m. Shirley's World. 12.40 Lectern.

ULSTER

11.10 a.m. Manfred. 11.20 Ed Allen Time. 11.45 Romper Room. †12.59 p.m. Ulster News Headlines. 2.30 Women To-day. †4.25 Ulster News Headlines. 5.20 The Amazing Chan and the Chan Clan. 6.00 UTV Reports. 7.00 Tuesday Cinema: "The Jackpot," starring James Stewart. 8.30 My Good Woman.

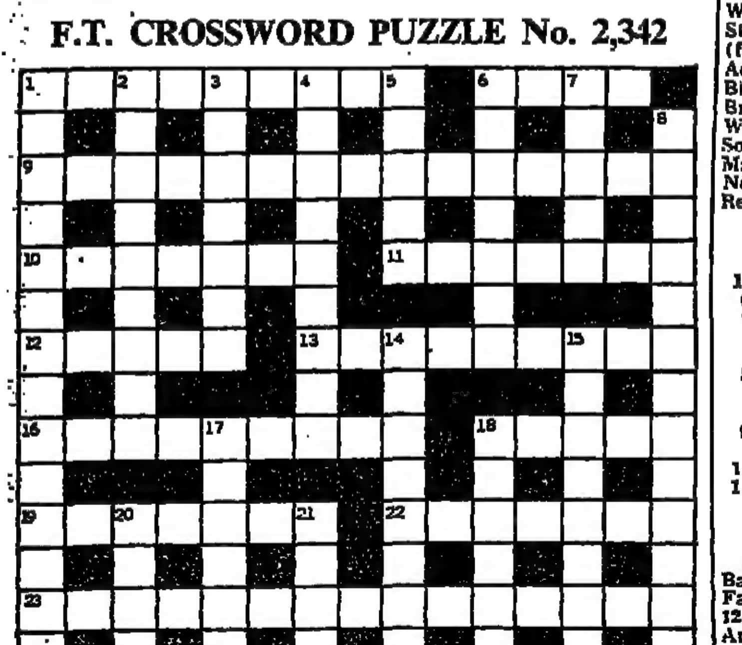
WESTWARD

10.00 a.m. Man and his World. 10.15 Operation Barbarossa. †11.10 The Saint. 12.23 p.m. Gus Honeybun's Birthdays. 12.38 Westward News Headlines. 2.30 Women To-day. 3.25 The Whiteoaks of Jalna. 5.20 Wait Till Your Father Gets Home. 6.00 Westward Diary. 7.30 Curtain Raiser. 7.35 Mystery Movie: Banacek. 11.55 Westward Late News. 11.58 The Silent Force. 12.25 a.m. Faith For Life.

YORKSHIRE

9.40 a.m. The Rovers. 10.05 Western Civilisation. 10.35 Ed Allen Time. 10.55 Felix the Cat. 11.05 Mekong Downstream. 11.50 Cartoon Time. 2.30 p.m. Whicker's World. 5.20 Bridget Loves Bernie. 6.00 Calendar. 7.30 Cartoon Time. 7.35 Mystery Movie: McMillan and Wife. 12.00 The Outsider.

F.T. CROSSWORD PUZZLE No. 2,342



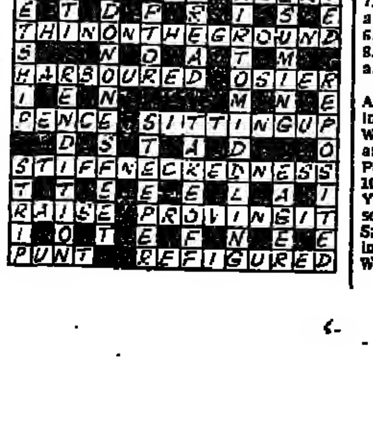
ACROSS

1 Bill is thinking it's judgment (9)
6 Room at the top which is left frequently (4)
9 A futile task for a visionary after a storm (7, 8)
10 Recovers and engages in competitive driving (7)
11 Green vegetable—often served with olive oil? (7)
12 Fit a musical accent in the Benedictus (5)
13 In a wind instrument I take a little care to get something not normally developed (9)
16 A red-head takes the biscuit (6, 3)
18 Beware of Sunday in grottoes (5)
19 Eccentric male changes for vegetarian food (7)
22 A fixed point in a bar providing support (7)
23 Exceptionally rare toxin needs mixing with daily regularity at first (15)
24 Is it fitting to bump into horsemen? (4)
25 A more angry colouring agent always comes up red (6, 3)

DOWN

1 One who tapes heavenly music and notes earthly faults? (9, 5)
2 Tea the French make brown for an imposter (9)
3 An alternative spirit is around from these sources (7)
4 Taking in, in jest we hear, before I get number up (9)
5 Give information about the lawn? (5)
6 Coming down between flights (7)
7 Plants for a pound—all mixed (5)
8 Accordingly it could be qualified to accept briefs or suits (2, 3, 4, 3, 2)
14 Insane and forgotten . . . (3, 2, 4)
15 . . . who cares? It doesn't matter (5, 4)
17 Eastern member with a book is highly polished (7)
18 Departed after pass to put papers in order (7)
20 What may be a credit to a man of rank (5)
21 The French spirit which may give one a timely warning (5)

Solution to Puzzle No. 2,341



RADIO 1 247m

(S) Stereophonic broadcast.

Time, traffic and News summaries at 5.00 a.m., 5.30, 6.00, 6.30 then every hour on the half-hour until 6.30 p.m., 7.00, 8.00, 9.00, 11.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.32, 8.32, 6.32 p.m., 2.02 a.m.

5.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker including Top 20 discs and at 12.30 p.m. Newsbeat. 2.00 David Hamilton. 5.00 Radio 1 Club with Alan Freeman from Chessington Youth Club, Surrey, including 5.30 Newsbeat. 7.00 As Radio 2. 10.00 Sounds of the 70s: John Peel (S) also on VHF. 12.00-2.02 a.m. As Radio 2.

RADIO 2 1,500m and VHF

Time, traffic and News summaries at 5.00 a.m., 5.30, 6.00, 6.30 (VHF and 247m), 7.00, 7.30, 8.00, then every hour on the hour until 5.00 p.m., 5.30, 6.00, 6.30, 7.00, 8.00, 9.00, 10.00, 11.00, 12.00, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32 (VHF and 247m), 7.02, 7.32, 8.02, 8.32, 9.02, 5.32 p.m., 6.15, 6.32, 2.02 a.m.

5.00 am. News Summary. 5.02 Barry Alldis (S) with The Early Show including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.30 p.m. Joe Henderson (S) including 1.45 and 2.45 Sports Desk. 3.02 5.00 John Dunn (S) including 3.45 Sports Desk. 4.15 Waggoners' Walk and 4.45 Sports Desk. 5.02 Tony Brandon (S). 6.50 Sports Desk. 7.02 Three in a Row. 7.30 The Organist Entertains (S). 8.02 Sam Costa Introduces More Melodies for You (S). 9.02 BBC Radio Orchestra plays Sweet 'n' Swing (S). 10.02 Late Night Extra 1500m (202m in Scotland) including 10.15 Sports Desk. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride (S). 2.00 News Summary.

RADIO 3 464m, Stereo & VHF

7.00 a.m. News. 7.05 Overture: Domenico, Scarlatti, J. S. Bach, Handel, J. C. Bach (S). 8.00 News. 8.05 Morning Concert: Liszt, Dohnanyi, Bartok (S). 9.00 News. 9.05 This Week's Composers: Balakirev and Borodin (S). 9.45 Orchestral Concert: Stravinsky, Mozart, Anthony Hedges, Haydn. 11.00 Words . . . (talk by Kingsley Amis). 11.05 Northern University Concert, part 1: Mozart. 11.25 Musical Creativity in Schools (talk). 11.40 Northern University Concert part 2: Nicholas Maw (S). 12.15 p.m. Cardiff Mid-day Prom, part 1: Weber, Mozart (S). 1.00 News. 1.05 The Arts Worldwide. 1.20 Cardiff Mid-day Prom, part 2: Mendelssohn, Beethoven (S). 2.05 1,000 Years of Choral Music (S). 3.05 Gabrieli String Quartet: Schubert, Dvorak, Shostakovich. 4.05 Music in our Time (S). 4.55 Jazz To-day on records (S). 5.25 Pied Piper (S). 5.45 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound (continued). 6.30-7.30 Study on 3. 7.30 Bach, Klavierubung: piano recital (S). 8.20 The Last Refuge?: To-day is the 50th anniversary of the death of Maurice Barres, French patriot and political writer (talk). 8.40 Debussy chamber music. 9.10 The Arts Worldwide. 9.30 Thomas Weelkes (S). 10.00 BBC Master Concert, part 1: Elliott Carter, Earle Brown. 10.45 Cage and Satie (talk). 11.00 BBC Master Concert, part 2: John Cage (S). 11.55 News.

RADIO 4

434m, 330m, 285m & VHF

‡ Medium Wave only.

6.20 a.m. News. 6.22 Farming To-day. 6.40 Prayer for the Day. 6.45-8.45 To-day. ‡6.50 Travel News, What's On and Keep Fit. 6.55 Weather, programme news. 7.00 News and more of To-day including 7.25 Sportsdesk. 7.35 To-day's Papers. 7.45 Thought for the Day. ‡7.50 Travel News. 7.55 Weather, programme news. 8.00 News and more of To-day including 8.25 Sportsdesk and 8.35 To-day's Papers. 8.45 Yesterday in Parliament. 9.00 News. 9.05 Tuesday Call: 01-580-4411: A Parent's Role in Education. 10.00 News. 10.05 From Our Own Correspondent. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Down Your Way. 11.45 John Ebdon continues his investigation of the BBC Sound Archives recordings. 12.00 News. 12.02 p.m. You and Yours. 12.27 Dr. Finlay's Casebook. ‡12.55 Weather, programme news. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour (including 2.00-2.02 News). 2.45 Listen With Mother. 3.00 News. 3.05 The sun is my undoing. 4.00 News. 4.05 "Gardeners' Question Time." 4.35 Story Time. 5.00 PM Reports. ‡5.50 Stock Market Report. 5.55 Weather, programme news. 6.00 News. 6.15 My Word! 6.45 The Archers. 7.00 News Desk. 7.30 It's Your Line: 01-580 4411: ring Robin Day with your questions for Dr. Martin Mitcheson. 8.30 Dear and Honoured Lady. 9.29 Weather. 9.30 The World To-night: News including International Business Report and at 10.25 Market Trends. 10.30 A Book at Bedtime. 10.45 Kaleidoscope. 11.15 To-day in Parliament. 11.30 News.

London Broadcasting

417m and 97.3 VHF

Regular News programmes on the hour and half-hour.

6.00 a.m. The Morning Show presented by David Jessel. 9.00 Two in the Morning: Paul Callan and Janet Street-Porter. 11.00 Open Line presented by George Gale. 1.00 p.m. London at One. 2.00 At Home with Gillian Strickland, Stewart Francis and Bel Mooney. 4.30 The Afternoon Show presented by Clive Roslin. 6.30 News World Wide. 7.00 Feedback. 9.00 Sounds News. 11.00 News. 11.30-6.00 a.m. Nightline.

Capital Radio

539m and 95.8 VHF

6.00 a.m. Roger Scott and Monty Modlyn. 9.00 Tommy Vance and Joan Shenton with Swop Shop (10.05 She and Me: 11.00 "Dapple Downs," starring Adrienne Corrie. 12.00 Dave Cash's Countdown. 2.00 p.m. Tony Myatt and Music. (2.15 "The Courtesans"—serial). 4.00 "The Bedsit," starring Peggy Mount. 4.15 Dave Symonds. 5.55 Honey Adair. 6.00 London's Day. 6.30 Nicky Horne's Rock Show. 8.30 Allan Hargreaves on Open Line. 10.00 Folk music with Tony Myatt. 11.30 Marsha Hunt and guests. 12.30-6.00 a.m. Night Flight with Sean Kelly.

Racing

Paddlesworth best

by DOMINIC WIGAN

THE WEATHER, which has recently hit racing badly, appears to have changed for the better. Although there is a course inspection planned for for Huntingdon at 7.15 this morning there are no doubts racing at to-day's only other meeting Newton Abbot, where the going is expected to be good to soft.

At Newton Abbot both Ziguenor and Be Nice have been taken out of the opening event, the Penzance Handicap Chase (1.00). In their absence it is difficult to oppose *Shell Streak*.

Mrs. Stuart Pattemore's six-year-old, who has been having a busy time this season, ran a sound race to be fifth in the Mackeson Gold Cup at Cheltenham a month ago. He was an impressive winner at Wincanton on Thursday, his only race since.

There, *Shell Streak* was always going too well for Tudor Dance and Another Marshall in the closing stages, and he defeated them by 15 lengths and four lengths respectively.

At Chepstow on Saturday the five-year-old *Beaming Lee* was up with the leaders when he ran out of the Marksman Handicap Hurdle two flights from the finish. He reappears this afternoon in the Helston Handicap Hurdle (3.30) but two who interest me more are *Scribeen* and *Clever One*.

The former, bidding for a fourth victory over the course and distance, ran a good race to be runner-up to Hey Ho at Wye in October.

Although he has since been only eighth at Chepstow, I expect him to give Tony Balding his 16th success of the season.

If racing is possible at Huntingdon, spectators on the Midlands course are likely to see an exciting contest for this afternoon's most valuable race, the Peterborough Handicap Chase (2.15).

Peter Bailey's *McKenzie* will be at short odds to supplement his recent wins at Wincanton and Folkestone but I doubt whether he will be able to deal with *Woodland Poacher*, an easy winner from stiff opposition at Wetherby on November 17.

Half an hour later, Peter Supples's former flat racer, *Paddlesworth*, is suggested as a good bet to defy top weight in the Bedford Opportunity handicap Hurdle (2.45).

SELECTIONS

NEWTON ABBOT
1.00—Shell Streak**
1.30—Ballydainty
2.00—Thingummy
2.30—Charley Winking
3.00—Kalamata
3.30—Scribeen

HUNTINGDON
12.45—So Noble
1.15—Archer
2.15—Woodland Poacher*
2.45—Paddlesworth***

ISLAND STICKS TO 20p TAX

Guernsey's parliament, the States of Deliberation, will be asked on December 12 to approve the island's annual budget proposals.

It has been recommended that Income Tax should remain at 20p in the £, and that there should be improved tax allowances for working wives and dependent relatives.

Events

To-day

PARLIAMENTARY BUSINESS—
House of Commons: Opposition on the Industrial Relations Act.
House of Lords: Legal Aid Bill, reading. Safety of Sports Grounds committee. Rabies Bill, commi Dumping at Sea Bill, committee. Rem ing stages of Road Traffic Bill if tee stage has been concluded.

THE NORTH AND CELTIC SEAS, a day conference organised by Financial Times, Petroleum Times British Airways (BOAC), begins Royal Lancaster Hotel, W.2, at 9.45 Chairman for the first day is Dr. J. director, BP Trading. Other spea are: Mr. W. E. Bell, general man Shell U.K. Exploration and Produc Mr. P. J. M. Verschure, joint ma ing director, head of offshore div IHC, Holland; Mr. R. A. G. manager, oilfield division, Ropes; Mr. D. F. MacCallan, gen manager, purchase and stores dep ment, BP Trading; Mr. I. A. Whi head of materials and transport, U.K. Exploration and Production; C. J. Silas; Prof. Peter R. Od director of the Economic-Geogra Institute, Netherlands School Economics, Erasmus University, Rot dam; and Mr. B. Collins, Petroleum Times.

COMPANY MEETINGS—
BAZALONI, 37, Mincing Lane, E.C. (Chairman, Mr. A. H. Galloway.)
CLRP INVESTMENT TRUST, 3, Lo Wall Buildings, E.C., 10.45. (Chair Mr. A. G. Touche.)
PETERS STORES, Newcastle-upon-T 12. (Chairman, Mr. J. P. Gould.)
SCOTTISH METROPOLITAN PERTY, Glasgow, 11.30. (Chair Mr. I. A. Walton.)
WILSON PECK, Sheffield, 12. (Chai Mr. L. L. Leighton.)

Paris theatre

La Noce chez les petits bourgeois

by GARRY O'CONNOR

In reviving this very early Brecht play of no extraordinary merit, but much incidental interest in view of the playwright's subsequent career, the Compagnie Vincent-Jourdheuil, at the Cyrano - Théâtre, have plumped for the rise of Fascism as the topical peg, or lead-in, for their lively production. Although Brecht does no more than treat a lower middle-class wedding-party with the (by now) familiar tricks of the absurd, breaking furniture which collapses under the guests, a cumulative revelation of skeletons in the cupboard, the parallel can be usefully made with the dread-ful impoverished and humiliated state of Germany during the 1920s, and its brooding, underlying violence.

The guests rage about the dining table, the bride is drunk, then revealed as pregnant; she dances an extremely suggestive tango with the best man (last tango of the Weimar Republic): there are many moments of pregnant political import, in fact the production has become more Brechtian than the young Brecht could ever have imagined it to be. But there is one saving grace. Some of it is very funny.

Brecht seems to have been strongly under the influence, when he wrote *La Noce*, of the German comic Karl Valentin. Valentin was a great mocker of the German reactionary spirit, as witness his marvellous tract on why the theatres are empty, which is printed in full in the programme.

In it Valentin blames the empty theatres on the state. If the state made theatre-going compulsory, like school, there would be full theatres all the year round. With compulsory theatre, all voluntary pursuits would be abandoned, like gambling and café politics, and moreover seating could be arranged, not according to classes but according to the degree of feebleness and infirmity: in other words, the short-sighted and hard of hearing would fill the first rows, then would come the hypochondriacs and neurasthenics, while the gallery would be exclusively for rheumatics and asthma sufferers. Many important Brecht characters were based on famous comedians; the middle aged men in this production, with elaborate artificial noses, and dry acid humour, would seem to owe much to Karl Valentin.

Brecht's text itself is naturalistic, and farcical. Although comic noses are used on the men, and the bride's face looks as though it's been dipped in a bag of flour, the expressionistic element might have been taken even further. It exists generously in some of the acting, in Jane Dautremay's tight-lipped balding little bureaucrat, who suddenly gives way to yodelling, and André Engel's leather-trousered innocent. René-Marie Féret and Rémy Carpentier are well matched as the rival cocks as groom and best man, while as the two older women in the piece, Denise Péron and Liliane Bertrand would appear to be more in harmony with the decrepit, degenerative view of the ageing process one finds in Samuel Beckett.

By stretching what is, on the printed page, a text that should last an hour at the very most into a full evening of 90 minutes, the production does finally become overloaded. Too many people reach suggestively for the axe, or slash the light shade, or compose themselves lengthily in the kitchen shadows, tear their trousers or their bodices, for the farce really to gain sufficient momentum. The production team were obviously caught between wanting to fill an evening, and produce a good early play of Brecht's. By the use of political symbolism they have widened the interest, certainly, but weakened the impact. Brecht may be German, but he is not heavy-handed like some East-European writers tend to be. I think he meant his wedding party simply as a joke.

Young Vic Studio

Hambledog and the Hopping Clogs

by MARINA VAIZEY

Vivian French's Hambledog and the Hopping Clogs is an original nursery tale brought to vigorous life, impeccably presented, which involve sits young audience in happy participation without boring parents. Seven characters are played with brilliant enthusiasm by three young actors—Jenny Austen, Lynn Coates and Michael Scholes, the hapless Hambledog. They manage to engage the audience's ardent sympathy without a moment of cloying whimsy.

The plot has everything. An old granny, Granny Cobble, starts the proceedings by a song with gestures, which soon has the audience gesturing too, helping to make the clogs by chopping and sewing. But business isn't very good, in spite of Granny Cobble's efficient book of "Hoof and Paw Sizes." Affectionate, bumbling Hambledog, tradesman and clog-maker, is by qualifications perfectly understood at the time, but complex to recount, soon sadly sacked and sent on his way, cursed by the King of the Cats to dance until his clogs wear out. And such is the quality of the clattering clogs of Hambledog that they never will.

He's off to join the army, and there encounters with butcher's boy Tommy and bully-girl Jackie, and finally finds the captain of Her Majesty's Splendid Seventh Brigade of Genuine Chocolate Soldiers, only to find his fortunes even blacker. There is an impressive King in brilliant pink, and Granny Cobble reappears, her theme being a constant refrain of "I'm a foolish, old woman but I am a woman of my word." The audience is often asked its view of the proceedings and themselves become crowds of genuine chocolate soldiers, cobblers, beds of flowers, or whatever is required. At one point Tommy the butcher's boy threatens to fling water all over the audience, and so realistic is it all that the children round me instantly put on their anorak hoods.

The lighting is clever, the pace rapid but unforced, and the characters exhibit everything you can expect from high drama: cleverness, stupidity, wisdom foolishness, villainy, and shining goodness. There is even a gentle moral lesson.

The stage is a series of low platforms in the middle of the young audience who sit round on the floor, aged parents are offered benches round the wall if they wish. Some amazingly young children were enjoying it all immensely. I was next to a rapt 18 month old, which might make some quail, but 3 and 4 year olds would take to Hambledog with alacrity too. The whole thing lasts just an hour, and is as perfect a specimen of that difficult genre, very young children's theatre as I ever hope to see: my own five-year-old was eminently satisfied, and even I forgot my creaking bones.

D'Oyly Carte back at Sadler's Wells

The D'Oyly Carte Opera Company will play a Christmas and New Year season of Gilbert and Sullivan at Sadler's Wells Theatre this year, for the fourth year running. It will open on December 17 with *Patience*. The repertoire will include *Ruddigore, The Yeomen of the Guard, The Sorcerer, The Gondoliers, The Mikado, Trial by Jury* and *HMS Pinafore, Cox and Box* and *The Pirates of Penzance* and *Iolanthe*.

Music Now concerts in London

Music Now is presenting two concerts by leading figures in improvised new music under the joint title of *Improvised Music*. The first, at the Wigmore Hall last night, consisted of solo performances by the British artists Frank Perry (percussion) and Derek Bailey (stereo electric guitar).

The second concert, at the Collegiate Theatre to-morrow, December 5, is the first British appearance of Instant Composers Pool from Holland, which has established itself as a leading Continental group in its field. The principal members are Misha Mengelberg (piano), Willem Breuker (saxophones) and the percussionist Han Bennink, whose playing incorporates many theatrical effects involving handfuls of Dutch flags, ostrich feathers and an alpenhorn.

This concert forms part of the Anglo-Dutch Music Days, sponsored by the Gaudeamus Foundation and the Royal Netherlands Embassy.

Han Bennik will give an extra concert on Tuesday, December 11, at 8 p.m. at Unity Theatre, Goldington Street, NW1, together with Evan Parker (alto and soprano saxes) and Derek Bailey.

Kenneth Clark on the romantic rebellion

by DENYS SUTTON, Editor of Apollo

Although art history is something of a growth industry in our time, there has been a decline in appreciative writing about art. The nineteenth century produced a number of brilliant writers who made works of art come alive, Baudelaire, the Goncourts and R. A. M. Stevenson. One of the last of this tradition was Roger Fry, a minor painter but a first-class art critic.

Kenneth Clark is both an art historian and an art critic. He has accomplished much art-historical work of a scholarly nature, as is shown by his books on Leonardo and Piero della Francesca. But he has also loved to take broad sweeps of history and single subjects that permit him to treat of many different types of artistic creation. Like Fry, whom he knew well, he has found the lecture a pleasing medium, and, just as much as his predecessor would have shone on television, so does Lord Clark.

A lecture or a telecast compels the virtuoso to give of his best; he has to find the formulae which presents his message in a striking and down-to-earth manner. He is forced to get to the heart of the matter; there is no time in fact for too much elaboration and for the qualifications dear to the historian. This is no bad thing when one's aim is to convey impressions about works of art. And it is a discipline that brings out Lord Clark's gifts, above all his ability to make us look again at familiar works and find new subtleties in them.

Lord Clark is one of the last of the art writers who range freely over many periods and he is at home in classical or renaissance art as he is in that of the nineteenth century and he has also looked at Chinese and Islamic art. His latest book, *The Romantic Rebellion. Romantic versus Classic Art* (John Murray and Sotheby Parke Bernet, £4.75) is devoted to a period which he has long admired and about which he has written on other occasions. His aim in this splendidly produced volume is to show the "rise of a consciously romantic style and its long struggle with orthodox classicism." He rightly claims that this is one of the most dramatic episodes in the history of art.

Millet: Peasant family

The subject is a complex one and anyone who tackles it could easily get bogged down in details which would lead him far away from the central problem, he modestly describes his volume as an introduction. It is true that he does not have the room to examine the romantic current in the North, but it is by no means certain that a more extensive work, one searching for the details, would have succeeded as well as does this book in bringing out the thesis, often by implication, and in illuminating the main characters, the dramatis personae.

The trouble with much art-historical writing is that it becomes a parade of learning and the illumination of the nature of art is thereby lost. Lord Clark's scholarship is lightly worn, but one has only to reflect on some of his aphoristic statements to see that they are based on a deep familiarity with the subject. References to the sources tapped by artists are introduced gently, without in any way impeding the flow of the narrative or preventing us from seeing what an artist aimed at.

Lord Clark has the gift of sharing his experience with his reader or viewer, as the case may be: this is the hallmark of a true critic. He has, too, the knack of coining phrases that make us see the importance of an artist or his work, in a flash as it were. For instance, he writes about J. L. David that "in his greatest paintings the real heart of the drama lies in the conflict between the masculine and the feminine spirit." Once we have taken in this remark, David's enigmatic painting is easier to understand.

Two of the best chapters are devoted to Ingres. This painter is not an easy master to appreciate, but his style becomes more accessible when we realise his debt to the Antique and when we realise, as Lord Clark points out, that his grandfather was a master tailor and his wife, the only person whose advice he heeded, had been a *modiste*. How brilliant, too, his observation that "Madame Moitessier is no longer a character with whom one can have human relations. Impassive in her extravagant finery, she reminds one of some sacred figure carried in procession."

It is when he is in direct contact with a work of art, that Lord Clark is in his element. There have been many descriptions of Goya's *The Third of May, 1808*, but I doubt if any writer has thought of comparing the way in which the Spanish painter symbolised merciless conformity with the kind of inhuman repetition seen in this picture with "the bowmen on Egyptian reliefs, in the warriors of the Asshur-nasir-pal, in the repeated shields of the giants on the Siphnian Treasury at Delphi.

The achievement of this book lies in the way Lord Clark can see the main artists of the time with enthusiasm and yet with objectivity. In this respect, his essay on Delacroix is a model of its kind. He brings out the note of disillusion than informs this painter's pictures but, at the same, he emphasises how "the ultimate victory of the spirit" in the last of his great decorative paintings, the Jacob *Wrestling with the Angel* in S. Sulpice. So often we fasten on Delacroix's animal paintings or his North African scenes, that we tend to overlook his contribution as a grand decorator with something to say. How right he is to emphasise the element of restlessness, that appealed to Van Gogh, and links his pictures with those of Constable.

As is only to be expected, Lord Clark is admirable on the Turner and Constable and he rightly notes how the former's use of water-colour lightened his palette in oil, and in a typical aside, reminds us that the same occurred with Cézanne. (An exhibition of Cézanne's water-colours and drawings may be seen at the Hayward Gallery.)

One of the most searching essays is devoted to J. F. Millet, once so famous and now admired by a handful. Lord Clark has no doubt that he is one of the greatest painters of the nineteenth century, and observes that if the subjects of some of his finest works are romantic, the treatment of the human figure is classical. The book ends with essays on Degas and Rodin, the latter being especialy pertinent.

The trouble with Lord Clark's writing is that one longs for more. Now that he has given us a nineteenth century volume, what about one on the Florentine Quattrocento?

Beckett in Berlin

by RONALD HOLLOWAY

West Berlin's landscape suits Beckett admirably. It's an artificial city, a proud, battered Lulu whose seductive charms still work their magic amid lengthening shadows behind the shimmering gauze of a nostalgic dream. It is, in short, a place where 20th-century man seems to have stumbled over his own aspirations. The comic and tragic in life stand closer together here than elsewhere on continental Europe: the casual visitor immediately has an acute sense of the city's divided soul, of its disappointments, and of the hopes springing eternal out of those disappointments. "So many worlds, so much to do, so little done, such things to be": Tennyson's words could well be scratched in ruins on both sides of the wall. Those same sentiments are uttered over and over again in the best of Beckett's works.

Beckett arrived here in 1965 when Schiller Theater was having trouble with its Werkstatt production of *Waiting for Godot*: someone suggested inviting the author to rehearsals; he came; and he returned two years later to direct his own production of *Endgame*. He came again in 1969 to direct Martin Held in *Krapp's Last Tape* and Eva-Katherina Schultz in *Happy Days* in 1971. Chronologically he was due here again this season, and it may have been with that in mind that Berlin's Akademie der Künste scheduled a Beckett Colloquium and the Schiller Theater "A Week for Samuel Beckett." Every known Beckett "expert" in Europe and America converged on the spot in early November—everyone, that is, except Beckett himself.

Still it was a week to remember: not so much for what was intentionally planned as for what accidentally took place on the fringe, and what is still taking place at present. Berlin, in other words, was awakened to elements in the playwright's works long ignored. And with Berlin, the whole of that complacent institution known as German theatre.

For one thing Martin Held has been impersonating Krapp in *Das letzte Band* here for over 150 performances in the confined quarters of the Schiller Werkstatt. The *Kammerspiel* model was beginning to appear sacred, although Beckett himself has always had a preference for a large stage. He got it finally with a Bremen guest production appearing two evenings in the Schiller Theater, brilliantly directed by the young, eccentric Klaus Michael Grüber with Bernhardt Minetti in the title role.

Opening up an entirely new dimension in the play's experience, Minetti moves across an empty stage (without desk or tape recorder in the beginning) like an elegant, aged, caged lion dressed trimly in gentleman's black attire as though preparing for the night's kill. He is observed entirely from a distance, for in the original production the front seats of the Bremen theatre were being removed for alterations. (Intendant Kurt Hübner was then on his way out at the end of his last season there, and the new management couldn't wait for the vacation break to get a hand in the pie; so the mutilated theatre landscape was absorbed into the stage design with greater relevance than usual.)

The effect is exactly the opposite of the Werkstatt production, although in no way contradictory; in fact, Held's shabby creature frozen into static immobility contrasts well with Minetti's high-spirited body English, jerky gestures and musically pitched staccato. The view from the bridge over a tarpaulin-covered wasteland is hypnotising, but there is little chance it will ever be repeated in Germany's name theatres dependent of subscribers occupying the front rows.

The new Schiller production of *Not I (Nicht Ich)*, directed by Dramaturg Ernst Wendt in the Werkstatt, features Hanne Hiob's disembodied mouth smiling vacantly in isolated space resembling at times a potted Cheshire cat. Like Krapp, this is someone about 70 searching painfully through fragmented recollections for a brief moment of happiness, and Hiob (Brecht's daughter) covers the track well in a difficult role. In the shadowy background lurks the phantasmagoric figure of the Auditor, illuminated softly at certain key passages into a bending, listening Madonna trying to catch a meaning in some of the speaker's jumbled words. Wendt, a neophyte director, postponed the production once and confessed at the German premiere to a partially completed work; even so, what he presented was very good indeed. It is a worthy addition to the Beckett "cycle" in the Werkstatt.

The surprise of the Beckett Colloquium was not so much the international following the playwright justly has—imagine, a *concordance* of his works is being prepared!—as the rediscovery of *Watt* (written in 1942) through an edited Reading of the novel by members of the Schiller Theater Ensemble. A series of passages were neatly spliced together by Dieter Hildenbrandt with a definite feel for the content, then performed in the Werkstatt on backless benches by Heidemarie Theobald, Horst Bollmann and Hans Lietzau (Schiller Theater's Intendant). All three are masters of the Buster Keaton deadpan, and the result is uproariously good fun. There always has been a circus clown lurking just below the surface of Beckett's work.

Metz Festival—2

Messiaen and others

by DOMINIC GILL

Apart from the three-concert cycle of Stockhausen's music, which I reviewed on Saturday, and which left the wintry air of Lorraine vibrating with its stimulating, ambiguous blend of high aural excitement and unanswered questions, Metz's week-end of *Rencontres internationales de musique contemporaine* planned jointly by the composer Claude Lefebvre and by Claude Samuel (of Royan and La Rochelle renown) took a nicely contrasted but relatively predictable course.

A complementary Messiaen cycle in the presence, and on one occasion with the participation, of the composer brought no surprises—though several fine performances. The most invigorating of these was a recital begun by Yvonne Loriod with an account, remarkable for its muscular brilliance and cogency, of three *Regards sur l'Enfant-Jésus*, and brought to its climax, in partnership with Messiaen, with the early, long and somewhat prolix *Visions de l'Amen* for piano duo (1943): a grand and undoubtedly "authentic" evening. There was also a showing of Denise Tual's neat, perceptive film *Olivier Messiaen et les oiseaux*; and an endless, if exceptionally well-wrought, recitation on the organ of the Temple Neuf by Almut Rössler of Messiaen's most recent epic of the spirit, the *Méditations sur le Mystère de la Sainte Trinité*. No sense here at least of any new worlds, new colours, new ways.

Nor much, for that matter, elsewhere in Metz's programme, well made and presented as it was. French contemporary music is in the main still firmly fixed within the Boulez-Messiaen orbit—an orbit, it would seem, not terribly conducive to original experiment. (The few young exceptions, among whom the name of George Aperghis is perhaps the most hopeful, were not represented.) The saddest example we heard in Metz of its product was the world premiere of the *Livre d'orgue* of Jacques Charpentier (b. 1933, pupil of Tony Aubin and Messiaen), played by the composer: an extraordinary concoction of sub-Messiaenesque doodling on the woodwind stops, sewn together with massive slabs of what everybody at one time or another has wanted to do in a big, resonant church—smashing around on full organ with forearms, fists and heels.

Nothing else to be sure—with the single possible exception of Stockhausen's cosmically naïve set of *Indian Songs*—achieved quite such a degree of embarrassment. It was a good, and apt, idea to set beside the Stockhausen cycle a concert containing two new pieces for double symphony orchestra by the two conductor-composers most intimately involved with the festival, Michel Tabachnik and Gilbert Amy. But considering the expense of time and resource on the scale needed, how one wished it might have been lavished instead on such masterpieces, rarely performed, as Stockhausen's *Gruppen* or *Carré*! Tabachnik's *Mondes*, heard for the first time, was a *drame sonore* for two widely-spaced orchestras that contained one or two quite effective climatic moments, and the occasional antiphonal gesture, pleasing enough. But around 50 minutes is far too long for a piece that is essentially just a succession of effects. Amy's *d'un espace déployé*, strongly Boulez-inspired, had at least the virtue of comparative brevity, and a much keener sense of direction as well as a brighter instrumental palette—though the conversation in its closing pages for two pianos across the width of the Palais des Sports seemed to me to spoil a rather impressive conclusion, neither arising from, nor pointing towards, anywhere in particular.

What might have been an event of some substance, Carlos Roqué Alsina's recital of his own and other 20th-century composers' piano music, was ruined by a terrible instrument: as he found to his fury, it is not at all a simple matter to give Berio's *Sequenza IV* on a piano whose middle pedal does not work. But the week-end's penultimate concert played by the recently formed Ensemble Européen de Musique Contemporaine — a brainchild of Bruno Maderna, though never conducted by him before his tragic death last month—went smoothly, and with not a little sparkle. Neither of the new works, Yoshihisa Taira's *Radiance* nor Arié Dzierlatka's *Mélodies*, made a very powerful impression—though Taira's displayed some sonorities that were delicately and attractively *orientaux* (very Japanese, very French). But the performances under Tabachnik's direction were excellent, finely graded, full of sinew: the group rose with enthusiasm to Messiaen's *Oiseaux erotiques* and to the challenge of Alsina's imaginative kaleidoscopic sound-structure *Schichten*, as it grew point on point, layer on layer.

CINEMAS ARE CONTINUED ON PAGE 28

WORLD TRADE NEWS

Westinghouse gain $200m. Yugoslav nuclear project

WESTINGHOUSE Electric Corporation has been awarded an order worth more than $200m. for the Krsko nuclear project to be built in Yugoslavia. This is the first nuclear power plant to be built in the country.

The order brings up to 100 the number of nuclear reactor sales announced by Westinghouse throughout the world—the first reactor manufacturer to reach the figure.

Westinghouse claimed it has been selected as prime contractor for the 615,000 kW project under a contract with Savske Elektrarne in Ljubljana, Yugoslavia and Electroprivreda Zagreb Proleterskit in Zagreb. In addition to the Krsko plant, *additional gas turbine plants will* be built in Jertovac and Dolsko.

Mr. J. M. Wallace, vice president and general manager of the Westinghouse power systems projects division, said that the division will provide, on a complete project *basis*, the *design*, civil works, erection and installation of both the nuclear and gas turbine power plants, plus co-ordinating the supply of products and services of other suppliers.

Westinghouse will also participate in a programme to export and utilize products and services of selected Yugoslav contractors in other power projects in third countries.

W. German aid comes too late

BY JONATHAN CARR

BONN, Dec. 3.

THE BONN Government's readiness to offer more cheap credit to Yugoslavia has apparently come too late to prevent a major Yugoslav atomic power station contract from slipping from West German into American hands.

The Economic Co-operation Ministry here said last week that Bonn was prepared in principle to offer Belgrade up to DM700m. cheap credits in addition to the DM300m. it offered last year. The credits would be provided at the normal rate offered to developing countries—2 per cent. over 30 years.

Had the announcement *come* some months ago it might materially have assisted the West German company Kraftwerk Union (KWU) in its efforts to obtain the contract for an atomic power station to be built at Krsko in Slovenia.

Informed sources said to-day KWU had set its price for the project at around DM500m.—with offers of co-operation with the Yugoslavs in power station construction in third countries.

Loss of the contract will merely lend weight to KWU's previously expressed view that the U.S. is continuing to domi*nate the nuclear power station* market because of its cheap export credit and despite West German technological advances.

The revelation of Bonn's willingness to provide more credit caused the Government here some embarrassment. The *figure of DM700m. emerged* originally in reports from Belgrade and was published here just as Chancellor Willy Brandt was warning the West Germans to prepare for a possible zero growth rate—or worse—next year.

Furthermore, the Government recently came under criticism over its readiness to grant Poland some DM1,000m. in cheap credits—a move which some feared might set a precedent for other Eastern European countries despite Ministers' assurances this would not be so.

The Government defends itself by noting that, according to the OECD yardstick, Yugloslavia is a developing country fully entitled to credit from Bonn at especially favourable rates.

It is also pointed out that more than five years ago West Germany agreed in principle to provide Yugloslavia with economic aid rather than reparations. It is held all the more reasonable to act on this now—when Bonn has had to place a ban on further entry of foreign workers, many of them Yugoslav.

Caribbean report warning on effects of unemployment

BY HUGH O'SHAUGHNESSY

"MASSIVE unemployment and frustrated electorates may force governments into taking actions *from which they might otherwise* recoil." This is the warning contained in "Problems of Economic Development in the Caribbean," by Mr. David Powell, former chairman of Booker McConnell published by the British-North American Committee. The document was compiled from a study carried out by Mrs. Irene Hawkins.

The managers of foreign companies in the region need to make greater efforts to understand and communicate with the countries *in which they operate*, train and promote local people and work out new forms of partnership.

Mr. Powell makes a call for greater coordination of policies by Britain, France, the Netherlands, the U.S. and Canada towards the area, particularly in the realm of aid.

On questions of trade the author says that the Caribbean Community (CARICOM) and the Caribbean Free Trade Association (CARIFTA) must be left free by the European Community to expand their trade with North America while retaining their markets in Europe.

Commenting on trade with the richer countries Mr. Powell says that quotas on manufactured goods from the Caribbean and high costs and lack of marketing skills in most agricultural exports except sugar impede the growth of exports. There has been a *serious deterioration of trade* balances.

The author criticises the education policies of the region as being designed "to produce articulate clerks and administrators rather than down-to-earth *people with an understanding* and interest in agricultural and technical skills and the desire to make their lives with the rural community."

GEC-Marconi Peking order

● Marconi Instruments, a GEC-Marconi Electronics company, has won an order for a £24,000 Automatic Electrical Inspection system from the Soviet purchasing agency Mashpriborintorg. The contract also includes installation of the system and on-site training in the Soviet Union. The MI Automatic Electrical Inspection system links together a range of test instruments to form a conventional test rig, but with the skilled test engineer replaced by a master control unit capable of accepting programmed instructions encoded on to punched paper tape.

GM may start joint venture in Kenya

By John Worrall

NAIROBI, Dec. 3.

ALTHOUGH there has not been any Government confirmation, a General Motors spokesman said this week that the company was to enter into a joint venture agreement with the Kenya Government to assemble lorries and mini-buses.

He said the plant would be ready for production next year and would produce 2,700 vehicles by 1975.

The Government has received a number of proposals for such a plant, including the one from General Motors, but a *Government spokesman said*: "No decision or commitment has been reached yet."

The Government's financial arrangement will be to enter into a 49 per cent. investment, the balance coming from the company winning the concession. This is *the usual* arrangement when industries of vital importance to the economy are set up in Kenya.

One of the conditions laid down by the Government in discussions with motor manufacturers seeking this concession is that they must inaugurate an elaborate training centre for African personnel, in return for which the company will be allowed to import specialised technical experts.

Ghana names Caemi as manganese export agents

BY CAMERON DUODU

ACCRA, Dec.

THE GHANA Government has appointed Caemi International, the Dutch mining company with headquarters at the Hague, as its exclusive agent for the marketing of manganese ore mined in Ghana.

This was announced by Ghana's roving ambassador, Mr. Joe Appiah, on his return from a visit to Europe.

In September, the Ghana Government established a Ghana National Manganese Corporation charged with exercising powers of pre-emption on behalf of Ghana in respect of all grades of manganese ore mined by the Union Carbide subsidiary African Manganese Company at its Nsuta Mine.

The pre-emption affected both ores already mined by African Manganese and not yet exported from Ghana as well as ores to be mined by the company.

The Government of Ghana pay for the manganese Ghanaian currency at exi F.O.B. contract prices bet *African Manganese and Ore* and Service Limited.

Inaugurating the Boar directors of the newly-cr Ghana Manganese Corporati November 27, the Commiss for Lands and Mineral Reso Major-General D. C. K. A said the Government encourage the establishme a plant at Nsuta to process manganese ore.

Initially, General Ameu the corporation would c itself to the purchasing marketing of the ore min African Manganese Compa a later date, the corpo would mine the manganes and other allied minerals grades and quality and p them into ferro-alloys and by-products.

Japan increasing its trade with EEC

BY DICK WILSON

JAPAN IS still increasing its visible trade surplus with the EEC, despite the fact that Europe's exports to Japan are *expanding faster*, measured in per cent., than its imports from Japan.

The two-way trade has grown by 45 per cent. in the first three quarters of the year, according to Japanese customs statistics just received in London, to reach an annual rate of over $US7,100m.

The Japanese surplus is now running at the annual rate of $1,250m.

But the Deputy Vice-Foreign Minister, Mr. Kiyohiko Tsurumi, was able to point out to Sir Christopher Soames during one of his regular consultations with the EEC Commission in Brussels last week that the trend is against Japan.

EEC exports are 57 per cent. up (to an annual rate of $2,925m.), whereas EEC imports *from Japan are only* 37 per cent. higher than last year (to reach an annual rate of $4,175m.).

Drive unabated

Japan's export drive continues unabated throughout the EEC and sales to Denmark have almost doubled this year. Only in Belgium is there any sign of the growth slackening.

On the EEC export side the largest gains are by France, whose sales to Japan have almost doubled, and Italy.

France thus becomes the only EEC state to enjoy a trade surplus with Japan, amounting to $130m. in the first nine months.

The British increase in the Japanese market is the lowest but one of the EEC Nine—49 per cent. in the January-September period. The U.K. share of the EEC's market in Japan is thus falling.

By the same token the increase in Japan's surplus with Britain is the largest within the EEC.

Japanese officials in Europe declare of their export increase that "the peak has passed." Their counterparts in the EEC Commission speculate, to the contrary, that the Japanese export drive to Europe "has only just begun."

Two schools of thought contend in the Berlaymont, the headquarters of the EEC Commission. The most popular view is that Japanese businessmen are out to maximise exports to Europe come what may—and such is their continuing competitiveness that, left to find their natural level, Japanese sales in the European market could go on scoring huge increases.

In the other view, the tide has probably turned. The revaluations of the yen, combined with the new surge of inflation and wage rises in Japan, should do the trick, and Japanese exports to Europe should begin now to settle down and cease to amaze with such feats as doubling in one year.

Meanwhile in the absenc trade agreement between and the Community, the tinuing imbalances are *be dealt with by* indi governments.

Japan's preference "voluntary" restraint b private manufacturers c porters, officially independ the Government althoug fact guided by the horizons of the bureaucr exhibited in the question imports now pre-occu British makers.

Japanese electronics sup and their agents have negotiating with their competitors this week f understanding which obviate the need for a unil clamp-down by the Government.

The EEC Commission trust department is, howev on the trail of inter-co *agreements offending* EEC of competition, as the and Japanese ball be makers have just learnt t cost.

The Tokyo statistics sh increase in Japan's total e to Britain in the first months of 1973 of only cent., to an absolute fig £380m. This differs fro British customs figure, shows a rise of 56 per c reach only £325m.

The discrepancy reflect chases of ships *from* Ja British owners for deliv foreign ports such as Hon or Singapore—which are n entered into the customs d tions at any British port import into Britain.

This difference in the ment of ships serve exaggerate the deficit re by the British figures.

But Japanese officials n point of setting the visible results against the back of the invisible exchanges ments for shipping, insu tourism, investment royalties and the like.

In 1971 Japan's net def invisible account with the Nine was of the order of (about $500m. in Br favour and another $25 favour mainly of Ge Benelux and France).

Trade deficit

So two-thirds of the visible trade deficit could *set in financial terms* invisible surplus earned EEC from Japan.

This does not help the se European industries whos exposure to robust Ja competition apparently doom.

But it does give these pr a particular and lo importance in the contex Japan which despite all th has infiltrated its easiest market—that of Britain— extent of only 2.8 per ce

CONTRACTS

● James Scott (Electrical Transmission) of Winchester, Hampshire, a member of the James Scott Engineering Group, has won a contract worth approximately £1.2m. for the construction of a 132kv overhead transmission line for the National Electric Power Authority of Nigeria.

★

● *Camrex, the speciality coating* and marine contracting organisation, have recently finalised two contracts with overseas customers to the value of £1.8m. An order for £1.1m. has been obtained from the Kuala Lumpur, Malaysian based ship owners Malaysian International Shipping to gritblast the entire internal steelwork of three cargo tanks. A further order to the value of £700,000 has been obtained from Van Der Giessen De Noord of *Rotterdam, in connection with* three product carriers being built at that shipyard on behalf of Canadian Pacific (Bermuda). The work involved is the coating of all internal surfaces of all cargo tanks on these vessels.

★

● AEI Scientific Apparatus, a GEC-Marconi Electronics company, has topped the £1m. mark with sales of its latest ultra-high resolution mass spectrometer, after an order from Peking. An earlier model had already been sold *to* MACHIMPEX, the Chinese buying agency, when AEI exhibited on the GEC stand at the British Industrial Technology Exhibition in Peki March-April this year. current order, worth £120,000, the company will s an MS5074 mass spectro and an associated comput data processing system.

AMERICAN NEWS

Miss Woods 'worried that she may be scapegoat'

BY ADRIAN DICKS

WASHINGTON, Dec. 3.

MISS ROSE Mary Woods, President Nixon's personal secretary for 23 years and perhaps the most loyal of all his close associates, is seriously worried that she is being turned into the scapegoat for the mysterious 18-minute gap in one of the Watergate tapes.

There is now a distinct possibility, according to Newsweek magazine, that Miss Woods will return to Judge John Sirica's court this week to give evidence of how she was coached by White House lawyers in order to give the account she has provided of how she caused part of the deletion by mistake.

Miss Woods' own lawyer, Mr. Charles Rhyne, is quoted by the magazine as telling a friend that "they are throwing her to the wolves. From what little I know, I could blow the lid right off the White House." He has subsequently denied these remarks, but admits that Miss Woods is "very upset" by the open disbelief her evidence encountered in court.

There also appears to be a danger that Miss Woods might face charges of perjury, since she failed to tell the court at her first appearance in early November of the existence of the deletion, and possibly even a charge of obstruction of justice if it should be shown that the 18 minutes was deleted on purpose.

Miss Woods' account is that she managed, by a considerable feat of physical contortion, to depress accidentally the record button, instead of the stop button, on a tape recorder when she broke off transcribing the June 20, 1972 tape in order to answer a telephone. At the same time, she said, she left her foot on the foot switch, thus deleting the conversation between the President and his former chief of staff, H. R. Haldeman, when according to Mr. Haldeman's notes the two men discussed the Watergate break-in for the first time, only three days after it occurred.

The split between what Miss Woods testified and what the White House lawyers seemed to expect her to say came over the length of time she might have deleted by this "mistake." She also grew less certain that this complex chain of events had actually happened at all, but did insist that the telephone call had lasted no longer than four or five minutes — leaving 13 more minutes' deletion totally unexplained. When the tape was played in court last week a noticeable change of pitch came after about five minutes.

Precarious and unlikely as Miss Woods' evidence seemed, it remains the only line of defence between the President and the increasing weight of suspicion that the deletion was indeed deliberate. If she changes her story or testifies that the lines were written for her by the chief White House lawyer, Mr. Fred Buzhardt, it will be almost impossible for the President to come up with another explanation of the gap that anyone will believe.

This afternoon Judge Sirica is to begin listening to the tapes himself to determine what evidence from them should be sent to the Watergate Grand Jury which must decide who in the whole complex affair should be criminally indicted. In about two weeks time he may also receive the report on the June 20, 1972 tape being prepared by a panel of experts.

Opinions differ as to how much the experts will be able to discover. There is broad agreement that they stand a high chance of being able to detect meddling and possibly even deliberate deletion, and thus they should be in a position to confirm or deny Miss Wood's account of what happened to the first five minutes of the gap.

There have also been suggestions that they may be able, through intelligence techniques, to "retrieve" some of the deleted conversation. This appears at present less certain.

Meanwhile some details of the "information package" which the White House is to send out about the President's personal finances have leaked out. These reveal that he paid $78,651 in federal income tax in 1969, the year before he first started to claim a $500,000 deduction for the gift of his Vice Presidential papers to the national archives.

Of more interest now, however, are the details of his income, and of how he was able to buy and furnish his Florida and California homes, in spite of financial assistance from two rich friends, Mr. Charles "Bebe" Rebozo and Mr. Robert Abplanalp. The exact relationship between Mr. Nixon's finances, Mr. Rebozo's Key Biscayne Bank and Republican campaign funds is also likely to remain the subject of intense investigation.

Trinidad leader to stay until election

By Our Own Correspondent

PORT OF SPAIN, Dec. 3.

DR. ERIC WILLIAMS, in a surprise development, to-day bowed to pressure from the majority of delegates at the resumed 15th annual convention of the People's National Movement Party and agreed to stay on as Prime Minister of Trinidad and Tobago—but only until a General Election which is expected early next year.

The Prime Minister's agreement came after a resolution was passed within 90 minutes of the convention resuming to-day, asking that he should stay on. It was moved by delegates of the St. Anns constituency of the Party which has always been a strong supporter of Mr. Williams and in which his official residence is located.

The voting in favour was 348-61 with 14 abstentions. A deputation was despatched from the convention hall to convey the news to the Prime Minister.

Political observers outside the Party were taken aback by Dr. Williams' agreement to remain because he had turned down an earlier request made at the time of his farewell speech when the convention first assembled on September 29.

Among those voting against the resolution asking Dr. Williams to stay was, it was understood, Mr. Karl Hudson-Phillips, the man favoured by most party groups to take over if Dr. Williams had stuck to his original decision.

Barbados issues own currency

By Our Own Correspondent

BRIDGETOWN, Dec. 3.

THE WORLD'S newest currency went into circulation here to-day when Barbados became the last of the four independent Commonwealth Caribbean nations to issue its own notes and coins. The currency issued by the recently established Central Bank will replace that formerly issued by the East Caribbean Currency Authority and shared with British associated states and colonies in the Windward and Leeward Islands. Its value will remain the same—$4.80 to £1—and will still be pegged to sterling.

Jamaica and Trinidad and Tobago established their Central Banks almost immediately after gaining independence in 1962, as did Guyana in 1966.

PERU

Reform, military style

BY JANE MONAHAN

A SERIES of repressive measures have been taken in Peru since the establishment of the Right-wing military Government in Chile. Most seem excessive in the light of circumstances and all have been justified as being part of a middle course revolution said to be neither capitalist nor Communist, but humanist.

A serious aspect of this new hard line centres on a row with the Supreme Court. President, Juan Velasco, on October 17, made a surprise speech in which he criticised Government-appointed members of the courts for not administering justice impartially. A week later all five members of the Supreme Criminal Court were dismissed, ironically enough by another Government appointed body, the National Council of Justice. The Council was installed by the Government four years ago, with the right to hire, fire and promote judges.

Emergency

Arequipa in Peru's desert south, the second largest town in the country with a much cherished reputation for civic independence, was the scene of what looked like the second major Peruvian post-Chile coup repression. In the wake of a general strike called by trade unionists, teachers, and students in protest against the detention of members of the non-Government teachers union, SUTEP (the Sindicato Unico de Trabajadores de la Educación del Perú) the Government took the unprecedented step of declaring a state of emergency in Arequipa and Puno, a nearby smaller town in the Andes. All constitutional guarantees were suspended, at 10 p.m. to six a.m. curfew was imposed in Arequipa and a top military commander, Division General Augusto Garcia was despatched with troops to restore law and order.

Two people are known to have died during scuffles that broke out between strikers and the army and at least 12 more are reported badly wounded. The army claims to have discovered substantial caches of arms in both towns. Officials say that some of the weapons were smuggled in from abroad.

Apart from a hard core of political agitators, students and teachers and a few union members, the vast majority of Arequipanians had not obeyed the SUTEP call for confrontation and in Puno no strike ever took place.

Like the Supreme Court dispute, the row with SUTEP focused attention on the apparent contradictions within a government that is both reformist and military. The government is authorising substantial salary increases for teachers, long among the worst paid members of white collar Peruvian society, and is trying to promulgate a sweeping educational reform designed to ensure that education is not a privilege and does not only take place in a classroom. At the same time it has taken the extreme step of declaring illegal the 100,000 or so strong independent teachers' union. Allegedly some of its members were beaten up or imprisoned.

The secretary-general, Sr. Horacio Gámez, and 90 other members of SUTEP, were reported detained, without charges being brought, in a prison camp in the central jungle region of Peru.

Like the Supreme Court wrangles, the origins of the row with SUTEP are complex. SUTEP organisers had taken the illegal step of distributing handbills demanding immediate recognition from the Minister of Education as the sole national teachers' union, contravening the citizens' right to associate with any union, and in particular defying the government minority union, FENEP, the Federaciones de Educadores Nacionales del Perú. The handbills also proposed indefinite general strikes in protest against government policy and in demand for more pay. The government was described as "parasitical, bureaucratic and pseudo civilian."

There has also been a spate of deportations from Peru of people of varying political hues; including the brother of the former deposed President, Francisco Belaúnde Terry. All 12 or so people involved had criticised the government, in no case did the government offer an explanation besides dismissing them all as counter revolutionaries.

The Government says that there is Press freedom in Peru, but in fact several newspapers, radio stations and television programmes only carry officially acceptable news. It was noteworthy, for instance, that no TV news programme mentioned the Arequipa strike. The Government has for some time drawn a distinction between what it describes as malicious criticism and informative criticism, saying that those who commit the former will be punished, and those who write the latter left alone. Many editors and journalists are none the wiser and an inhibiting self-censorship seems to be general.

Newspapers supporting the Government, such as Expreso, have been drawing comparisons between events leading up to the coup in Chile and recent events in Peru, describing the SUTEP strikes as an opposition move with aims similar to those of the anti-Government truck owners stoppage in Chile, and the Supreme Court verdicts as parallel to the difficulties between the judiciary and the Allende Government.

Striking

It is fairly clear that the presence of a counter revolutionary government across Peru's southern border is adding to conflicts that perhaps are inherent in a government mix of military control with a revolutionary platform, pursuing a nationalist revolutionary course since 1968. The Peruvian Government has enacted changes that are among the most striking in the entire developing world. It has given the peasants the farthest reaching agrarian reform since the Cuban revolution. It has worked out new regulations for foreign oil companies under which the state obtains at least 50 per cent. of all production and the company finances all risks and exploration.

For these and other revolutionary changes to be made a considerable degree of public support is needed. Generally there has been a tacit vote of approval in that most of the changes have been carried out peacefully. But recent signs of discontent suggest that some Peruvians at least may find something lacking in the Government methods of promulgating reforms. It is a dogmatic approach, some observers say, a military style in which public opinion increasingly counts for almost nothing.

Nixon to propose health scheme

WASHINGTON, Dec. 3.

PRESIDENT NIXON will propose a mandatory national health insurance system in his State of the Union message in January, Administration officials said over the week-end.

The programme would cover doctors bills, hospital costs, prescription drugs, family planning services, dental care for children up to 13 years old and a wide variety of other services.

The Department of Health, Education and Welfare (HEW) formulated their programme to begin in 1975, officials said. They said details still are subject to change by the White House.

As formulated, the programme would cost a family about $150 a year. Individuals would pay the first $150 of health bills, then 25 per cent. of the cost of services above that amount, up to $1,500 a year per family.

All costs above that level would be covered by the insurance programme—which means that individuals would be insured against catastrophic illness expense.

Employer and employee benefits would bear most of the cost of the programme with an additional $4,000m. a year being provided by the Federal Government, according to the new plan.

The programme apparently would not be available to the self-employed. It stops short of nationalised medicine in that it would use private companies instead of the Federal Government as administration agents.

Chile may expel Swedish envoy

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

MR. HARALD Edelstam, the Swedish ambassador to Chile, may soon be declared persona non grata by the Chilean junta, according to the Santiago Government daily Patria.

Mr. Edelstam who supervises Cuban interests on behalf of the Swedish Government and who has played a prominent part in helping refugees was assaulted by Chilean security forces while supervising medical treatment for Sra Consuelo Alonso, a Uruguayan refugee. The incident involved the French envoy in Santiago.

Mr. Edelstam made a further complaint to the junta last week after Mr. Martin Wilkens, an embassy secretary, had been intimidated. The Chilean Press has indicated strongly that it thinks Mr. Edelstam should leave Santiago before he is pushed.

Mr. L. Goedhart, the Dutch envoy has also been under attack in the Santiago Press. The Netherlands embassy is at present sheltering Sr. Orlando Millas, the Communist former Economy Minister, and three Communist deputies, Gladys Marin, Mireya Baltra and Julieta Campusano.

The director general of the Chilean civil police, General Ernesto Baeza, has warned of rigorous penalties for those found responsible for interrupting production or causing sabotage. The army has announced that those found guilty of causing forest fires will be shot on the spot. Carabineros, the Chilean gendarmes, last week announced that slum dwellers in the southern city of Concepcion had put up "serious resistence" to police searches for criminals in their slum.

U.S. INQUIRY INTO DUMPING OF ROLLER BEARINGS

WASHINGTON, Dec. 3.

THE U.S. Treasury said it is beginning an anti-dumping investigation to determine if tapered roller bearings from Japan are selling in the U.S. for less than in Japan.

In the first half of this year such imports here totalled about $9.5m. The Treasury announcement follows an investigation conducted by the U.S. customs service which indicated that the prices of the Japanese imports were less than in Japan.

AP-DJ

EUROPEAN NEWS

ENERGY

Major obstacles to joint EEC action

BY LORELIES OLSLAGER

BRUSSELS, Dec. 3.

THE EUROPEAN Commission has drawn up proposals for common action by the EEC countries in the face of the present energy situation on similar lines to crisis procedures worked out in the OECD several years ago, informed sources said to-day.

However, British and French resistance to anything that smacks of Community solidarity and which could upset the Arabs may prevent it from formally tabling its suggestions in writing.

While the Council of Ministers is not formally debating the energy crisis until to-morrow, it already dominated virtually all discussions to-day. Fear of putting a foot wrong in the present situation led Ministers to put off for the time being the envisaged negotiations of new trade and aid pacts with Israel and the three Maghreb countries.

Spain, whose agreement is also due for renegotiation, became a victim of the general feeling in the Council of Ministers that the moment was not propitious for dealings with parties to the Middle-East conflict.

The Council did authorise the Commission, on the other hand, to open immediate exploratory talks with Iran on a possible new agreement to replace the present non-preferential trade pact, which benefits only Iranian exports of dried raisins. Iran has recently asked for the opening of such talks.

The Commission's plans for common action in face of the threatening energy crisis were approved only this morning, and are expected to be put verbally to the Ministers by M. Henri Simonet, the Commissioner in charge of energy questions.

Depending on how the discussion goes, the Commission is ready to table the proposals in writing.

According to the sources, the Commission envisages the setting up of a crisis committee to watch the situation which would have close contacts, particularly on distribution, with a separate committee to be formed by the oil industry.

There should be a system for distributing oil among the member States according to how dependent their industries are on petroleum products, the sources added.

The problem of differing prices—there is a suspicion that much oil is already being diverted to Germany, where prices are not controlled—could initially be tackled under existing proposals for price surveillance.

The Commission is also believed to have proposals for relations with the oil producing countries designed to secure guaranteed supplies in return for help in their industrialisation.

A vague formula envisaging such a deal was already included in the Commission's proposed mandate for negotiations with Algeria, which supplies 5 per cent. of the EEC's oil.

But the Ministers did not even have a serious discussion of whether to go ahead with plans for negotiating new agreements with the five countries concerned.

Mr. Ivar Noergaard, the Danish chairman, said there seemed general agreement that the January 1 deadline for negotiating the new agreements could not be met. He asked whether the Ministers were at least willing to go ahead negotiating new agreements with Spain and Israel, but nobody responded.

These two countries will be badly hurt by Britain's first move towards the Community's common external tariff on January 1, and the search is now on for possibilities of making interim arrangements for their exports to the three new member States.

Robin Reeves adds: Ministers also made little progress on the extension of its generalised preference scheme to Romania. This extension was decided in principle last June, but because Romania is relatively advanced economically, the proposals allow for the exclusion of sensitive products like textiles and shoes.

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Warning to Japan

THE EUROPEAN Community to-day notified Japan that it is ready to take autonomous measures to protect its market against excessive Japanese exports. This would be done, a resolution passed by the Council of Ministers said, as long as there was no general trade agreement between the EEC and Japan.

Negotiations for a general trade agreement have been put off for the time being and the Community felt it had to lay down some general principles for its relations with Japan in the meantime.

French uranium scheme runs into trouble

BY RUPERT CORNWELL

PARIS, Dec. 3.

THE FRENCH plan for an independent European uranium enrichment plant based on its gaseous diffusion technology has run into difficulties with its potential customers.

The influential association of European electricity producers (OPEN) has called on the French-backed Eurodif consortium to open negotiations with the U.S.

The suggestion comes in the form of two requests: to the U.S. Atomic Energy Commission to put back by three months its original end-year deadline by which requests for long-term contracts for enriched uranium must be in; and to Eurodif, and the French Government in particular, to postpone by the same period the planned January 1 start to its gaseous diffusion project.

But the inference is clear. The electricity producers, from eight European countries, want to be absolutely certain of receiving the promised fuel for nuclear power stations at the time promised by the French Government, that is, from 1979, and their present offer is essentially to hedge their support recently given to the five-nation Eurodif group.

What appears to have worried above all the producers is that the Eurodif go-ahead, couched more or less in the terms of a French ultimatum to its partners, would cut the producers loose from traditional U.S. sources of supply, with perhaps unfortunate consequences.

Instead they would like to see an amicable association between Europe and the U.S., which might lead to the construction of an enrichment plant in Europe combining both French and American know-how.

The main interest now centres on what will be the reaction of the French Government, and the French atomic energy agency (CEA). In the statement announcing France's decision to proceed with its gaseous diffusion project, the Prime Minister emphasised that one of the main reasons for France's determination was its desire to free itself from dependence on the U.S.

Just how it will welcome a proposal that on first sight would only strengthen that dependence remains to be seen. There are already unconfirmed reports that the CEA has been making discreet overtures to the Soviet Union for back-up supplies of enriched uranium for the French nuclear programme, should Eurodif fail to keep to its schedule.

West German orders decline

By Malcolm Rutherford

BONN, Dec. 3.

THERE WAS a fall in West German order books in practically all sectors in October as the first effects of the energy shortage began to make themselves felt. Industrial production was also down and there was a drop in orders from abroad.

The Economics Ministry reported to-day that new orders to industry were running 1.5 per cent. below the level of September whereas the normal development at this time of year is a rise. Domestic orders were up by 0.5 per cent., but the average rise in the past few years has been 5.5 per cent. Export orders fell back by 6 per cent. against an average increase over the past few years of 1 per cent. All told, orders were 1 per cent. ahead of turnover but in volume terms this means that orders in hand went down.

Industrial production, which normally rises in October by around 5 per cent., declined by 1 per cent. and was up by only 5 per cent. on October, 1972. Production in the first 10 months of the year together, however, is still up by 7.5 per cent.

Measured against October last year, on a calendar basis orders were up by 7.5 per cent., though by only 3 per cent. if the comparison is adjusted on the basis of the number of working days in the month.

Bonn talks for Lopez Rodo

BONN, Dec. 3.

SPANISH Foreign Minister Laureano Lopez Rodo arrived here to-day for talks with Herr Walter Scheel, his West German counterpart.

A Foreign Ministry spokesman said there was no fixed agenda for the talks on European issues such as the Geneva Security Conference and Spain's interest in joining the European Economic Community.

Reuter

Sir Alec's Moscow talks off to good start

BY DAVID LASCELLES

MOSCOW, Dec. 3.

BRITAIN and the Soviet Union concluded their first day of high-level talks here to-day satisfied that substantial progress will have been made by the time the Foreign Secretary Sir Alec Douglas-Home returns to London on Wednesday.

Few details of the talks are emerging, but it is understood that Sir Alec and the Soviet Foreign Minister, Mr. Andrei Gromyko, managed to preserve a calm and friendly atmosphere while discussing the touchy problem of the European Security Conference. Sir Alec said he did not wish to interfere in the Soviet Union's internal affairs but made it clear that Britain wanted progress on all items on the conference agenda, including freer human contacts. Mr. Gromyko agreed that these problems could be solved.

Earlier, the two sides had a thorough exchange of views on the Middle East and found broad areas of agreement. It is understood that, in particular, prospects for a settlement were discussed and the means found for continuing the consultations in the future. The question of oil was not raised.

To-morrow, Sir Alec is expected to be received by a member of the Soviet leadership—probably President Podgorny—before resuming his discussions with Mr. Gromyko which will centre on bilateral relations and trade.

A sign of the congenial tone of the talks came at a lunch to-day when both Sir Alec and Mr. Gromyko laid aside prepared speeches and spoke informally of the need to improve relations.

Rupert Cornwell writes from Paris: The first high-level attempt to repair the recent damage to Franco-Soviet relations is likely in Moscow this week, during a nine day official visit by French Defence Minister M. Robert Galley.

The Minister's trip, which begins tomorrow, is in reply to a long standing invitation by his Soviet opposite number, Marsh[al] Andrei Gretchko. But M. Gall[ey] is a close confidant of Preside[nt] Georges Pompidou and he is ce[r]tain to take the chance of revi[ew]ing the overall state of t[he] between the two countries in [h]talks with Kremlin leaders.

The present difficulties ha[ve] sprung from repeated Fren[ch] criticism of the role of t[he] superpowers, and their glo[bal] "condominium", in the Midd[le] East crisis. This has led to stro[ng] rumours that President Pom[pi]dou's summit trip to Mosco[w] scheduled for January 1974, m[ay] be put back.

The ostensible purpose of [M.] Galley's trip will be to seek wa[ys] of improving military co-opera[]tion between the two countri[es]. But he will also examine t[he] various East-West negotiati[ons] now under way, and once ag[ain] underline Paris' objections [to] the Vienna troop cut talks, another reason behind Russ[ia's] present irritation with [its] closest friend in the West Eu[ro]pean camp.

Labour clash looms in France

By Giles Merritt

PARIS, Dec. 3.

WITH THE outcome of this week's two-day meeting in Brussels of the Finance Ministers of the Nine on the question of a concerted attack on inflation in Europe still unknown, the French Government nevertheless appears to be on a collision course with organised labour.

The moves that Finance Minister M. Valery Giscard d'Estaing is believed to favour—extremely tight credit destrictions, major cut-backs in public spending and dramatically increased personal taxation levels—have already begun to fuel the flames of Thursday's planned General Strike.

The irony of the situation is that while labour unrest this week seems to be building up to "May 1968 proportions"—a term the French unions increasingly use when advertising a major demonstration nowadays—observers are pointing out that Giscard's measures are all easily reversable in case there is an economic recession. Just as well in view of to-day's news that economists here are forecasting a halving in 1974 of the country's growth rate. Instead of the 5.5 per cent. caculated in September, it is now being suggested the level will be between 2.5-3.0 per cent., and this slowdown will entail serious unemployment.

In the meantime, the Left and the unions are far more concerned at the prospect of an anti-inflationist incomes policy and are making it clear that the December 6 nationwide strike is intended to shut the country down for at least 24-hours. As yet, they have not announced what action they would take in the face of a European economic slump likely to boost the unemployment rate well over the current 7 per cent. Already this summer it jumped 3 per cent. in August alone, bringing the total number of workless to more than 400,000.

Brandt for Prague

BY JONATHAN CARR

BONN, Dec. 3.

CHANCELLOR Willy Brandt and Foreign Minister Walter Scheel will visit Prague on December 11 and 12 for signature of the West German-Czechoslovak treaty normalising relations, it was officially announced to-day.

Diplomatic ties will be established immediately after the signing. This done, Bonn's efforts to establish diplomatic relations with two other east European countries—Hungary and Bulgaria—are likely to meet with quick success.

The Bonn-Prague treaty was initialled in June after years [of] talks which eventually resu[lted] in a compromise on the m[ain] point of dispute—the 1[938] Munich Pact which ceded [the] Sudetenland to Nazi Germany.

Since June, signature has be[en] repeatedly postponed becaus[e of] differences over Bonn's dema[nd] for full representation of W[est] Berlin through its consu[lar] services in Czechoslovakia. T[he] problem has not been fu[lly] resolved but Herr Brandt [has] clearly decided all the same t[hat] establishment of diplomatic re[la]tions should no longer be p[ost]poned.

IN BRIEF

ZURICH: The Swiss Government's anti-inflation programme in force since January will continue for up to another two years following its acceptance in Sunday's national referendum. The four urgent federal decrees, covering credit, building and depreciation restrictions and a price, wage and profit surveillance system were accepted by a large majority of individual votes and cantons.

OSLO: Prices for most leading makes of cars were sharply reduced in Norway yesterday—some models by as much as Kr.3,000 (over £200). General Motors, Ford and Volvo were among those announcing price cuts, of varying amounts. Volvo cars will be only 3 per cent. cheaper, merely reflecting the recent up-valuation of the Norwegian Krone. Ford and GM are making bigger reductions.

OSLO: The leaders of Norway's TUC agreed yesterday that next spring's wage contracts should be for one year only, in view of the uncertain economic outlook. They also agreed to recommend that wage bargaining next year should be on a union by union basis. The current agreement, negotiated in the spring of 1972, is a two-year deal whi[ch] covers workers in a wide ran[ge] of industry.

VALLETTA: The Israe[li] Government has submitted [a] detailed explanation to M[r.] Dom Mintoff, the Malte[se] Premier, following last Friday['s] incident when two armed gu[n]boats entered a Maltese po[rt] without permission.

Mr. L. Benyacov, the Israe[li] Ambassador in Valletta d[e]livered the report to the Mal[tese] Government yesterday afte[r]noon. He stated this mornin[g]: "The two gunboats enter[ed] Malta to take shelter fro[m] heavy storms. They had [no] time to contact the authorit[ies] before entering but accordi[ng] to international law they h[ad] the right to seek shelter."

The gunboats were patrolli[ng] the Mediterranean some [..] miles away from their Hai[fa] base when storms caught t[hem] with them.

ALGIERS: President Nico[lae] Ceausescu of Rumania le[ft] yesterday at the end of a 1[..] hour visit here on his way [to] the U.S. for talks with Pre[si]dent Nixon. President Cea[u]sescu had talks last night wi[th] President Houari Boumedien[ne] of Algeria and a brief sta[te]ment said they review[ed] bilateral relations.

EUROPEAN NEWS

DANISH ELECTIONS

Heavy defeat expected for Social Democrats

BY HILARY BARNES

COPENHAGEN, Dec. 3.

TO-MORROW'S Danish general election takes place amid a state of unprecedented political confusion and uncertainty and growing fears that the oil crisis will plunge the country into a serious recession.

The opinion polls are unanimous in predicting a disastrous election for the ruling Social Democratic Party. No poll has given the party more than 22 per cent., compared with 37.3 per cent. in the 1971 election. The radical liberal and conservative parties also seem likely to lose up to a quarter of their combined vote.

The second biggest party in the Folketing (Parliament) after the election, according to the polls, will be either the Poujadiste Progress Party or the Centre Democratic Party, formed this month by former Social Democratic Folketing member Erhard Jacobsen. Different polls have shown these parties with support varying between ten and 16 per cent.

The general uncertainty among voters and their disillusionment with the established parties appears to have benefited the small parties as well. The Communists, the Single Tax Party and the Christian Peoples Party all have a chance of obtaining seats. Altogether, there could be ten parties in the new Folketing compared with five at present.

Oil crisis

The election campaign has taken place against the background of the oil crisis, but in spite of widespread agreement that the consequences for Denmark will be extremely severe because of the country's almost total dependence on oil-based energy, this has not led the politicians to give any clarification on which parties should form a Government after to-morrow.

A minority coalition of the current opposition parties with the support of the Centre Democrats would at least give a Government a comfortable working majority, but in view of the seriousness of the economic crisis strong efforts will be made, especially by Erhard Jacobsen, to bring the Social Democrats into the Government in order to ensure the backing of the trade unions.

According to the Danish Gallup Institute Poll published at the week-end the parties have the following support (figures for the 1971 election in brackets):

	per cent.	
Social Democrats ...	21.1	(37.3)
Radical	13	(14.4)
Conservatives	11	(16.7)
Liberals	12.8	(15.6)
Socialist Peoples P...	8.4	(9.1)
Centre Democrats ...	16.1	(zero)
Progress Party	9.4	(zero)
Communists	2	
Christians Peoples P	3	
Single Tax Party ...	2	

(The last three parties competed in the 1971 election but gained less than 2 per cent. of the total vote and were therefore not entitled to seats in the Folketing.)

Bombs blast two Greek banks

ATHENS, Dec. 3.

BOMBS damaged two banks in Greece early to-day. One bomb, described as a home-made device, damaged the entrance to the Bank of America at Piraeus. Another went off at the entrance to a branch office of the Commercial Bank of Greece in Athens, causing slight damage.

Four new Ministers, including a Minister of the Interior, to-day joined the week-old Government of Premier Adamantios Androutsopoulos. Two new Under-Secretaries of State were also appointed.

The new Ministers are: General Vassilios Tsoumbas, a former Minister of Public Order, who becomes Interior Minister, Supreme Court Judge Christos Georgiopoulos who becomes Minister of Social Services, Professor Panayotis Christou, Dean of Salonica University, who becomes Minister of Education, and Mr. Elias Balopoulos, former Under-Secretary of State, who becomes Minister without Portfolio.

Former Premier Panayotis Kanellopoulos, who is 71, to-day expresed his sorrow and concern over Greece falling under direct military rule. Kanellopoulos said, "I feel sorrow because a great historic chance was lost for the country to find a way out of the seven-year-long impasse. It failed and I am worried because the same methods which failed for so many years are being used again."

Meanwhile, the country's university students returned to class to-day for the first time since the universities were shut in the wake of last month's student disorders. The Ministry of Education has said the decision to reopen the universities reflected the government's confidence that law and order has been restored.

Police stayed away from the university faculties and from the Polytechnic, the technical university. The Polytechnic, in the centre of Athens, was the source of bloody incidents during which 12 people were killed and 200 wounded at the height of the unrest.

The associations of journalists, printers and clerks employed by Greek newspapers to-day protested to President Gizikis against the closure of the Opposition newspaper Vradyni.

The protest said newspapers had been informed that they would no longer be subject to censorship and that the closing of the Vradyni was against the government's pledges to allow Press freedom.

Former Premier Panayotis Kanellopoulos and five former Justice Ministers also protested against the closure of Vradyni.
Reuter, UPI, AP-DJ

Turkey sets 30 per cent. higher budget for 1974

BY METIN MUNIR

ANKARA, Dec. 3.

THE TURKISH budget for 1974 has been fixed at L80.169m. ($5,726m.), an increase of about 30 per cent. over this year's figures.

The budget was prepared by the outgoing Government of Mr. Naim Talu, the neutral Prime Minister who leads a coalition of the Justice Party and the small Republican Reliance Party. The new Government has not yet been formed although elections were held more than a month and a half ago: the President is expected to make a new move in the next few days.

Current expenditures grew by 14.8 per cent. to L38,300m. ($2,735m.), investment expenditures by 51.2 per cent. to L18,300m. ($1,308m.), special defence investment expenditure by 15 per cent. to L2,518m. ($179m.) and transfer expenditure 10.2 per cent. to L21,051m. ($1,504m.).

It was the first time that defence investments were classified under a separate heading. These investments are part of a 10-year plan to modernise and reorganise the Turkish armed forces.

The defence budget is L13,454m. ($961m.), 21.3 per cent. more than this year's budgetary allocation. The Turkish budget has a deficit of L5,500m. ($393m.) which will be caused by domestic credit, according to the Ministry of Finance.

The budget did not introduce new taxes although a 25 per cent. increase is anticipated in State revenue. It is understood that the outgoing Government has left the introduction of taxes to the new Government.

High-speed Poland

VIENNA, Dec. 3

INDUSTRIAL production and real wages in Poland have risen faster than anywhere else in the Soviet bloc this year, a Vienna research institute reported to-day.

The Institute of Comparative Economy put Poland's industrial growth rate at 12 per cent.—5 per cent. higher than that of the Soviet Union. The overall industrial growth rate within Comecon, the Soviet bloc's economic community, was 9 per cent.

Real wages rose by between 2.5 per cent. (in Hungary) and 6 per cent. (in Poland), the Institute said. Officially fixed prices for consumer goods remained faily stable.

Comecon's foreign trade rose by 16 per cent., compared with mained fairly stable.
Reuter.

Cut in UN's Cyprus contingent

By Our Own Correspondent

UNITED NATIONS, Dec. 3.

THE United Nations peace-keeping force which is helping to check inter-communal tensions in Cyprus will be continued for another six months, but at reduced strength, according to a recommendation to-day by Secretary-General Dr. Kurt Waldheim.

The governments of Cyprus, Greece and Turkey all have concurred in the proposal, which is considered certain to be approved by the Security Council.

Next March will see the completion of 10 years of UN force operations in Cyprus, yet Dr. Waldheim was able to report "only limited progress" towards resolving the outstanding basic political issues dividing the island.

In an apparent reference to the Grivas affair and developments in Athens, he said it should be borne in mind that the lack of progress coincided with "certain political developments" which tended to make it difficult for necessary mutual adjustments to be made. But he still felt "an agreed accommodation" could be reached in inter-communal talks.

From Nicosia Our Own Correspondent reports: President Makarios's Government has expressed satisfaction with the new Greek regime's policy statement on Cyprus while the Opposition supporting Gen. George Grivas has shown signs of disappointment. An official spokesman described as "realistic" the statement by the new Greek Premier that Greece would continue to support the island's independence.

27-nation education talks end

BUCHAREST, Dec. 3.

EDUCATION Ministers of eastern and western European nations to-day wound up an eight-day conference which discussed developments in higher education and explored possibilities of East-West cultural and educational co-operation.

The conference urged the 27 nations represented to encourage the conclusion of bilateral agreements on exchange and mobility of students and asked the Director-General of the United Nations Educational Scientific and Cultural Organisation (Unesco) to propose measures to speed up the preparation of a regional agreement between European countries.

But conference sources said Communist nations were reluctant to go as far as had been hoped by some Western delegates in the exchange of educational personnel and ideas.

To overcome some of these obstacles, the conference recommended Unesco member states to pass national laws aimed at increasing mobility at the university level as well as in professional areas. The role of youth and textbooks in reinforcing the spirit of co-operation was also emphasised, the sources said.
UPI

In Sweden, as in the other Scandinavian countries, Social Democracy has run into a crisis. **Hilary Barnes** reports.

Mr. Palme loses his touch

PRIME Minister Palme's reputation with the Swedish Left appears to be in shreds and he has also lost many friends among liberal-minded political moderates. The damage may not be irreparable, but it is sufficiently serious for Swedish commentators to be talking of a crisis for the Government, the Social Democratic Party and for Mr. Palme.

The episode which did the damage concerns the arrest of two Left-wing journalists, Mr. Peter Bratt and Mr. Jan Guillou. They are being held on remand charged with espionage damaging to the country, but not espionage in the service of a foreign power.

The basic facts of the case are not in dispute. In May this year the two men published an article in a Left-wing periodical, FIB/Kulturfront, disclosing to the public at large for the first time the existence of a military espionage service, which has come to be called the Information Bureau (IB). In September a new article made further disclosures about the activities of the IB, and Mr. Bratt published a book on the case. The book and second article contained material on foreign codes allegedly broken by the military intelligence. The authorities have said that this finally persuaded them to act against the two journalists.

Bitter reaction

The bitter reaction which the decision to prosecute has aroused (a decision taken by the judicial authorities and not by the Government) comes at a particularly dangerous time for the Social Democrats. Since 1970 they have depended for majority support in the Riksdag on the Communists, and since the general election in September the position has become even more delicate. The election gave the non-Socialist and Socialist blocs 175 seats each in the Riksdag. The Communists could not be in a better position to blackmail the Government.

The parliamentary situation means that a new election in the course of 1974 is very much on the cards. For Palme and the Government to start losing support now could prove to be a very serious matter. As more than one Swedish editorialist has pointed out, the disarray which has already struck the Danish and Norwegian Social Democratic movements may have begun spreading to Sweden. In both these countries once-dominant parties have had their authority and electoral base undermined by the growth of strong left-wing rivals.

In Denmark the malaise in the Social Democratic Party was caused precisely by the leadership pandering to the Left wing. Mr. Palme in the IB episode has so far refrained from taking such a line and it could be argued that what he is losing on the Left will be gained, perhaps with a handsome dividend, among the party's older and moderate electors. But in fact Mr. Palme seems to have managed to offend everyone by an uncharacteristically inept handling of the matter.

The Bratt and Guillou articles were by any standards a first rate scoop. Some of their disclosures were also extremely compromising, if true. They claimed that the IB was compromising Swedish neutrality by co-operating one-sidedly with Western intelligence services, that it had carried out illegal operations in Sweden, that it had spied on Swedish political organisations, and that the Social Democratic Party had used information on other parties supplied by the IB.

Their analysis of IB activities is regarded by the liberal-left critics as what in Sweden is known as "social criticism" and fully within the bounds of what a free Press should be able to write about, though in collecting material they are alleged to have used electronic listening devices and other techniques usually associated with secret services rather than with journalism.

When the authorities finally decided to make arrests they acted with the delicacy of a bull in a china shop. The two journalists, plus a photographer and another man, both subsequently released, and a former IB agent, still in custody, were arrested at dawn, while police at the same time raided the editorial office of FIB/Kulturfront and seized loads of documents.

Houses searched

Reaction was not long in coming. A group of 300 writers and journalists published a half-page advertisement in Dagens Nyheter, Stockholm's biggest morning paper, "Early one morning two of our colleagues were arrested, houses searched, and editorial offices and a picture agency ransacked by security police. And this did not happen in Greece or Turkey but here at home in Sweden. The prosecutor claims that our colleagues are guilty of espionage. But we who have read what they have written know that the 'crime' they have committed is to expose spies. Peter Bratt and Jan Guillou have carried out social criticism. Until very recently we thought that it was our right as authors critically to examine and describe the society we live in. We thought that freedom of the Press was guaranteed by the constitution and that police actions of the type we have now experienced were impossible in our country. To-day we know that we were mistaken," the advertisement said.

Mr. Palme's initial reaction—and from May until November he said not one word in public on the affair—made no concessions to his critics. The two journalists had been exercising too much imagination and reading too many bad spy thrillers, he said about Mr. Bratt's book. He said their techniques were reminiscent of Communist techniques and left a nasty taste in the mouth and "betrayed an immense distrust of democracy. It is not openness they are after. The enemy is our democratic, reformist society, which they will attack with any means available," he said in a Press interview. "Publishing secret information—I do not call that social criticism," he added.

Later, in a reply to a letter from five West German authors, he was more conciliatory and said that if it proved that there was insufficient democratic control of the security services these controls would be strengthened and if people felt that their personal integrity was threatened then stronger guarantees would be made.

Mr. Palme's relatively tough line failed to appease his non-leftist critics because they feel that by failing to say anything for six months and allowing his defence Ministers and the commander-in-chief to do all the explaining he was trying to evade responsibility for a tricky matter, hoping perhaps that if all ended well he could step forward and claim the credit.

Long way to go yet

There is another reason why the IB affair, which in itself is hardly of the first importance, has caused such deep concern to so many Swedes. It is only the latest of a series of incidents in which the Government has managed to offend all those who are anxious about the freedom of the individual. For example, a new constitution now going through the legislative mill contains a chapter on civil liberties which is so badly drafted that all the basic rights could be annulled by a simple majority vote of the Riksdag. It is unthinkable that such a thing could happen in Sweden, say the Government's supporters, but it already has. Last spring the Government passed a so-called terrorist law which in effect enabled it to suspend all basic rights for foreigners.

Earlier this year the Government decided to increase police numbers considerably, which in view of the high crime rates in Sweden was not unreasonable. The Liberal-left was provoked. It all adds up to a growing sense of alienation from the party which has ruled Sweden for over 40 years.

The IB affair has a long way to run yet. For the Government's critics the crucial test is whether it will agree to set up a five-party (that is to say, including the Communists) commission to investigate the activities of the IB. Alternatively they might be reconciled if Mr. Palme admits Communists to the Riksdag Defence Committee, which is currently carrying out an investigation into the IB.

The Riksdag elected in September does not actually meet until January, and negotiations for the composition of committees in the new Riksdag are going on at the moment. The Left is urging Mr. Palme to let the Communists have one of the seats which would otherwise go to the Social Democrats. This would not be like Mr. Palme, who is no lover of Communists. But whatever he decides he is bound to offend either the Left or the Right—and either way it could be fatal in electoral terms.

NORTH VIETNAM

A time for rebuilding

BY LYDIA GILES

THE DRY season is the campaigning season throughout Indochina, and usually brings rumours of an imminent Communist offensive. This year, after 11 months of fractured peace, President Thieu is prophesying a major North Vietnamese offensive late in 1973 or early in 1974.

Certainly it does look as if Hanoi is keeping its options open. It is not going to allow the South Vietnamese revolutionaries to lose the territory they hold. For this reason, and also because another front needs support in Cambodia, it is hardly surprising that supplies continue to flow south down the Ho Chi Minh trails. But it also is significant that most of the evidence for an offensive is coming from Washington and Saigon. Undoubtedly intervention would be politically difficult for the U.S. and President Nixon is likely to do all he can to warn North Vietnam against committing itself to a new campaign.

The warning may in fact be superfluous if present signs are anything to go by. Reconstruction at home seems, at present at least, to be North Vietnam's chief pre-occupation. For the next few weeks, the North Vietnamese will be intent on harvesting the most important rice crop of the year. And the dry season which lasts until May is not only campaigning weather, but the best season for rebuilding. Each day, Hanoi radio said recently, is "gold and gems for the construction branch."

Last February a triumphant special session of the North Vietnamese National Assembly was told by President Ton Duc Thang—Ho Chi Minh's successor—"now begins a period of splendid development of our people." The Prime Minister, Pham Van Dong, called for the urgent building of "a new economic structure in order to prepare for development on a large scale and at quick tempo in the following years." Hanoi hopes to achieve this initially through a three-year rehabilitation and development plan, to be completed in 1975.

Industry, agriculture and communications are North Vietnam's priorities and the Government claims—rather more enthusiastically for audiences abroad than at home—that rebuilding has made rapid progress. As evacuated machinery and workers returned to their old peace time sites from the countryside, Hanoi began first to reconstruct the bombed out installations on which its rudimentary industry had been based.

> "It seems unlikely that . . . Hanoi will be ready to divert energy or resources from the job of re-building at home into another offensive."

A total of 215 "industrial and public utility projects"—of which 77 were industrial—were built during the first six months of 1973, according to Hanoi radio. And the Government was not only repairing bomb damage. Some ambitious new projects were under way—a new industrial centre based on Viet Tri, north-west of Hanoi; a steel rolling mill at Gia Sang in the north-east and in Haiphong a new shipyard and another industrial complex.

But though Hanoi has always maintained that North Vietnam's future prosperity depends on rapid industrial development, it is well aware that this in turn depends on rapidly modernising agriculture. First, North Vietnam hopes to grow enough food to become self-sufficient; second, it must develop industrial crops which can be exported; and third it must do so efficiently enough to release labour from the land for industry.

This year the Government has been able to increase the acreage of cultivable land by clearing unexploded bombs and filling craters—according to the Soviet news agency, Tass, 500,000 acres were thus cleared by April. Peace should also mean that the co-operatives will have the man-power to reclaim some of the land that they have allowed to fall into disuse. The North Vietnamese are being told to use the months between the two rice crops to grow subsidiary food crops such as maize. But in the long term, Hanoi believes that agricultural productivity can only be stepped up by increased mechanisation—which depends on industrial development—and by perfecting the control and conservation of water.

Ever since the disastrous floods of 1971, Hanoi has urged the North Vietnamese to strengthen and inspect continually their ancient network of dams and dykes. But drought is equally a problem and with peace the Government has been able to consider large-scale projects for harnessing the country's rivers, particularly the Red and Black Rivers. In June a Minister with special responsibility for building the Black River dam was appointed. The aim is to complete a hydraulic network serving 2½m. acres of farmland by 1975.

Water control is essential for the success of another of North Vietnam's cherished economic projects—the development of new production zones in the previously unexploited mountain regions. Built round a nucleus of large State farms, the new economic areas are to concentrate on cattle breeding, fruit growing, and industrial crops such as tea, coffee and rubber. It is hoped that in time they will become self-sufficient communities with their own towns.

As North Vietnam's leaders are well aware, the hardest part of reconstruction is still to come. On top of war damage, Hanoi has the problem of most developing countries: it is trying to build a modern self-reliant economy, and although it can count on ample supplies of material aid, it is hampered by lack of managerial experience and a shortage of skilled workers and technicians. In July, the Government initiated a countrywide survey of scientific and technical personnel and it is backing the physical process of rebuilding with efforts to modernise management, improve accounting systems, control materials, and tighten labour discipline.

The last may not be easy. Nine months ago Hanoi could count on a surge of popular enthusiasm to rebuild such symbols of American destruction as the Bach Mai hospital and the Long Bien bridge in Hanoi, and to put up new housing where it was needed. Now with immediate repairs complete, the Government frequently reminds the North Vietnamese that there can be no letting up. It will do its best to raise living standards, but years of hard work and frugality lie ahead.

Some of these efforts will go to consolidate Communist held areas in the south, and young North Vietnamese will be sent to defend them. But it seems unlikely that for the time being Hanoi will be ready to divert energy or resources from the job of rebuilding at home into another offensive, let alone risk the destruction of what it has already achieved.

Saigon fuel tanks wrecked

BY OUR OWN CORRESPONDENT SAIGON, Dec. 3

THE BIGGEST fuel storage installation in South Vietnam, only six miles outside Saigon, was completely wrecked to-day by a barrage of Communist rockets and mortar bombs fired into it in the early hours of the morning.

The installation at Nha Be, belonging to Royal Dutch-Shell, provided 40 per cent. of South Vietnam's civilian needs. More than 12 hours after the attack it was still a blazing inferno with its 28 fuel storage tanks, containing up to 25m. imperial gallons of fuel, giant balls of flame. A towering column of black smoke blotted out the sun and darkened the sky over Cholon, Saigon's Chinatown. The shelling attack that caused the country's worst ever oil fire began at about 2.30 a.m. and lasted for nearly two hours.

Details are still sketchy but the high command said it believed Viet Cong gunners hiding in the marshes across the Saigon river fired nearly 50 mortar bombs and rockets into the installation — then made a neat get away in the ensuing confusion.

The Saigon fire brigade mobilising 35 fire engines found itself battling with flames 500 feet high. Realising the impossibility of saving the Shell installation it concentrated on containing the blaze to prevent it from spreading to the smaller Esso and Caltex installations, which are adjacent, by dousing the intervening paddy fields with water.

It is still too early to judge the full consequences of the attack, but by burning down the Shell fuel depot the Viet Cong has certainly caused a damaging blow to the country's creaking economy. A Shell oil executive who spent most of the night at the blazing installation estimated it would take six months to a year to rebuild.

"Everything has gone except the tanks containing bitumen, liquefied petroleum gas and lubricants," he said.

Royal Dutch-Shell, South Vietnam's oldest foreign company, has a £10m. investment in South Vietnam and is one of the oil companies that has won a concession to drill for oil off the coast of South Vietnam in the next few years.

How many days' supplies of fuel South Vietnam now has is unknown, but in the past it is understood the amount was deliberately kept at 15 days as a precaution against just such an eventuality as to-day's attack. It is presumed the Government will give the military top priority in the use of existing fuel stocks.

S. Korea's Park replaces intelligence chief

SEOUL, Dec. 3.

SOUTH KOREAN President Park Chung-hee to-day reshuffled the Cabinet and replaced his chief intelligence aide in a conciliatory move following violent student protests and frictions with Japan and North Korea.

A presidential spokesman announced that Mr. Lee Hu-Rak had resigned both as director of the Korean Central Intelligence Agency (CIA) and chief negotiator in the deadlocked governmental dialogue with North Korea.

The resignation of Mr. Lee, the chief political lieutenant of President Park for the past decade, was announced together with the Cabinet changes although he was not a member of the Cabinet.

In the reshuffle itself, which followed the resignation en bloc of the previous Cabinet earlier to-day, Prime Minister Kim Jong-pil, Deputy Prime Minister and concurrently Economic Planning Minister Tae Wan-son and eight others were retained.

Seven Ministers were dismissed and three shifted to new Cabinet posts.

Culture Information Minister Yun Chu-Yung, who remained in the new Cabinet, said that the Cabinet decided to resign because it felt responsibility for "a series of recent developments", and for failing to asisst the President properly.

Reuter

Japan drops last foreign inflow rule

By Peter Dunning

TOKYO, Dec. 3.

THE LAST remaining exchange control governing overseas investment in Japanese quoted securities has been scrapped with effect from December 1. This was the rule prohibiting net foreign purchases of fixed-interest stocks, in force since October last year.

A parallel regulation dealing with equities was withdrawn on November 5, but control was then retained over the bond market apparently because the authorities feared possible resumption of hedge buying sometime in the future. Japanese bonds provided a popular means of insuring against future appreciation of the yen, to the extent that a lively non-resident market developed after net additions to foreign holdings were banned. For several months bonds were traded at a premium between non-residents.

Mrs. Gandhi under attack on trade pact

By K. K. Sharma

NEW DELHI, Dec. 3.

INDIA'S Premier Mrs. Indira Gandhi is under fierce attack from the opposition—mainly the Right-wing Hindu nationalist Jana Sangh and Swatantrug—parties for agreements reached with Soviet Communist party Chief Leonid Brezhnev last week.

The main ground for the bitter criticism is that by signing an economic co-operation agreement Mrs. Gandhi has "sold" India's sovereignty.

Particularly irksome to the critics is the protocol providing for close contacts in the planning economies of the two countries and this is said to amount to agreement to make the Indian economy subservient to Soviet needs.

Mrs. Gandhi and her Congress party have for some years been making self-reliance the main plank of economic policy and India's fifth plan aims at reducing net foreign aid to nil. But it has now been pointed out that dependence is to be reduced only on Western sources and by one stroke. Mrs. Gandhi has surrendered the goal of economic independence.

The Soviet Union has agreed to provide massive aid for such core sectors as steel, oil, power, heavy engineering and allied economic projects on credit terms.

In addition, trade is to be expanded by 200 per cent. by 1980.

Mrs. Gandhi has taken note of the criticism of the agreements with Brezhnev but has spoken in favour of foreign aid now that it is coming from Russia.

Moves to reduce Middle East tension

BY ROBERT GRAHAM TEL AVIV, Dec. 3.

INTENSIFIED DIPLOMATIC activity has begun to remove some of the tension which has built up as a result of the collapse last week of talks on the separation of Egyptian and Israeli forces. Now there are clear signs that the U.S. and the UN are trying to ensure that Egypt and Israel will not allow difficulties over the disengagement issue to interfere with plans for the start of the peace conference on December 18.

In an unscheduled move, the U.S. Assistant Secretary of State, Mr. Kenneth Rush, will meet Premier Mrs. Golda Meir and Foreign Minister Mr. Abba Eban later to-night. Mr. Rush is here as part of the American delegation for the funeral of Israel's first Premier, David Ben-Gurion.

He is expected to lay the groundwork for the visit next week of Secretary of State Dr. Henry Kissinger. Though no date has been announced for Dr. Kissinger's visit, it is being assumed here that he will come after Cairo. He is due in Cairo on December 13.

The fact that Dr. Kissinger will also be visiting other Arab capitals, including Damascus, is being interpreted here as evidence of U.S. determination to press ahead with the peace conference. While this is considered an encouraging sign after the mounting tension and uncertainties of the past few days, Israeli leaders are reported to be apprehensive about reports coming out of Washington tha[t] the U.S. will exert more pressur[e] on Israel. The price of movin[g] ahead with the conference coul[d] be, in the eyes of some observer[s] here, a "token" separation o[f] forces to satisfy the Egyptians—something Israel has so fa[r] opposed.

Mrs. Meir is expected to see[k] clarification of U.S. intentions i[n] the meeting to-night with M[r.] Rush.

Another welcome sign here ha[s] been the quick return to Cair[o] of the UN Emergency Forc[e] commander, General Ensi[o] Siilasvuo. After meeting wit[h] General Dayan in Jerusalem yesterday he flew back to Cair[o] and met to-day the Egyptian Wa[r] Minister, General Ismail for th[e] second time in four days.

According to UN sources i[n] Jerusalem, General Siilasvuo i[s] not simply acting as "pigeon" carrying messages between th[e] two sides. He is also seeking t[o] find common ground between th[e] parties in an effort to restart th[e] talks at Km. 101. Press report[s] here claim informal contacts ar[e] taking place at a low level a[t] Km. 101 between Israeli an[d] Egyptian officers under U[N] auspices. The atmosphere ther[e] is said to be friendly.

In Jerusalem, David Be[n] Gurion, the man who paved th[e] way for the establishment of th[e] State of Israel and served as i[ts] first Premier and Defence Min[i]ster for 15 years, was burie[d] to-day.

More than a quarter of [a] million people passed the bie[r]

Cairo view on why 101 talks failed

BY WILLIAM DULLFORCE

EGYPTIAN OFFICIALS give the following account of the course of the Checkpoint 101 talks to back up their claim that Israel (and possibly also the U.S.) has shown evasiveness and duplicity.

Egypt wanted to start the talks on implementation of the six-point November 11 ceasefire agreement with Point Two, which calls for discussions on withdrawal to the October 22 lines, but agreed to take the last four points, dealing with exchange of prisoners and supplies to the Third Army first after the Israelis had said they would be ready to talk of a wider disengagement once the prisoners question had been settled.

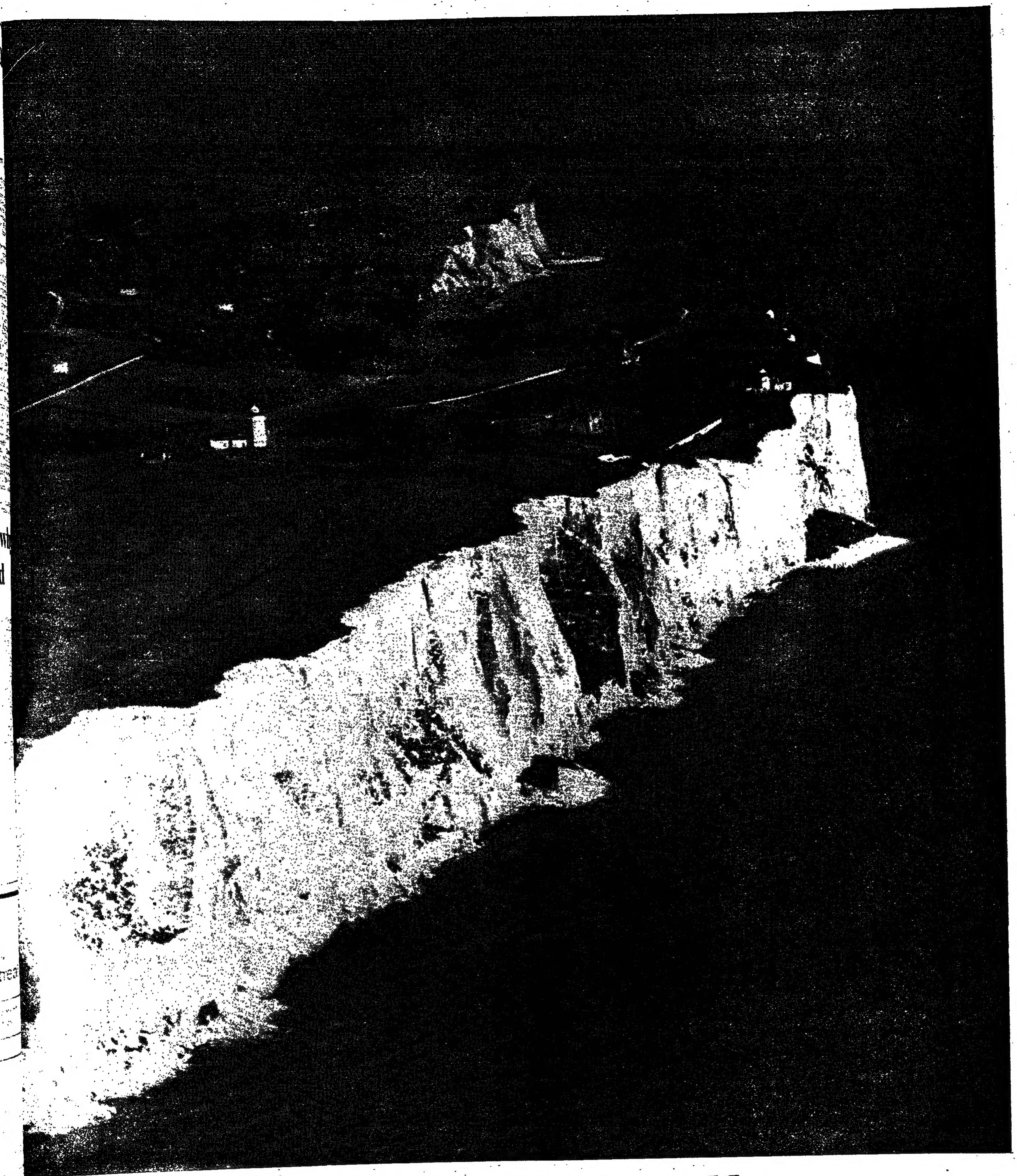
The Israeli negotiator, Major-General Aharon Yariv, then proposed that the two armies should withdraw to their pre-October positions, leaving Israel in control of the East Bank of the Canal and Egypt on the West Bank. This was rejected.

Egypt's Major-General Abdel-Ghani Gamasi counter-proposed that the Israeli forces withdraw behind a line running from El Arish to Ras Mohamed (about 130 kms. east of the canal) wit[h] this marking the area of separa[tion]. Yariv rejected this.

Talks under UNEF commande[r] Major-General Siilasvuo the[n] centred on trying to find a com[promise]. Yariv suggested tha[t] the Israeli forces withdraw to [a] line 10 kms. east of the cana[l] with Egypt keeping only [a] symbolic force equipped wit[h] light arms on the East Bank. Gamasi turned this down on th[e] grounds that it would leave th[e] Egyptian East Bank force at th[e] mercy of the Israelis an[d] amounted to no more in practic[e] than Israel's first proposal.

Gamasi next proposed that th[e] line of separation be draw[n] through the Mitla and Gidd[i] passes with the Israeli force[s] withdrawing beyond the line t[o] the east and the Egyptian force[s] taking up positions an equa[l] distance from the line to th[e] west. Yariv rejected this.

At this point, Gamasi asked t[o] return to discussion of Poin[t] Two of the ceasefire agreemen[t] and a withdrawal to the Octobe[r] 22 lines, but Yariv refused, th[e] Egyptians say. Egypt the[n] decided to discontinue the talks.



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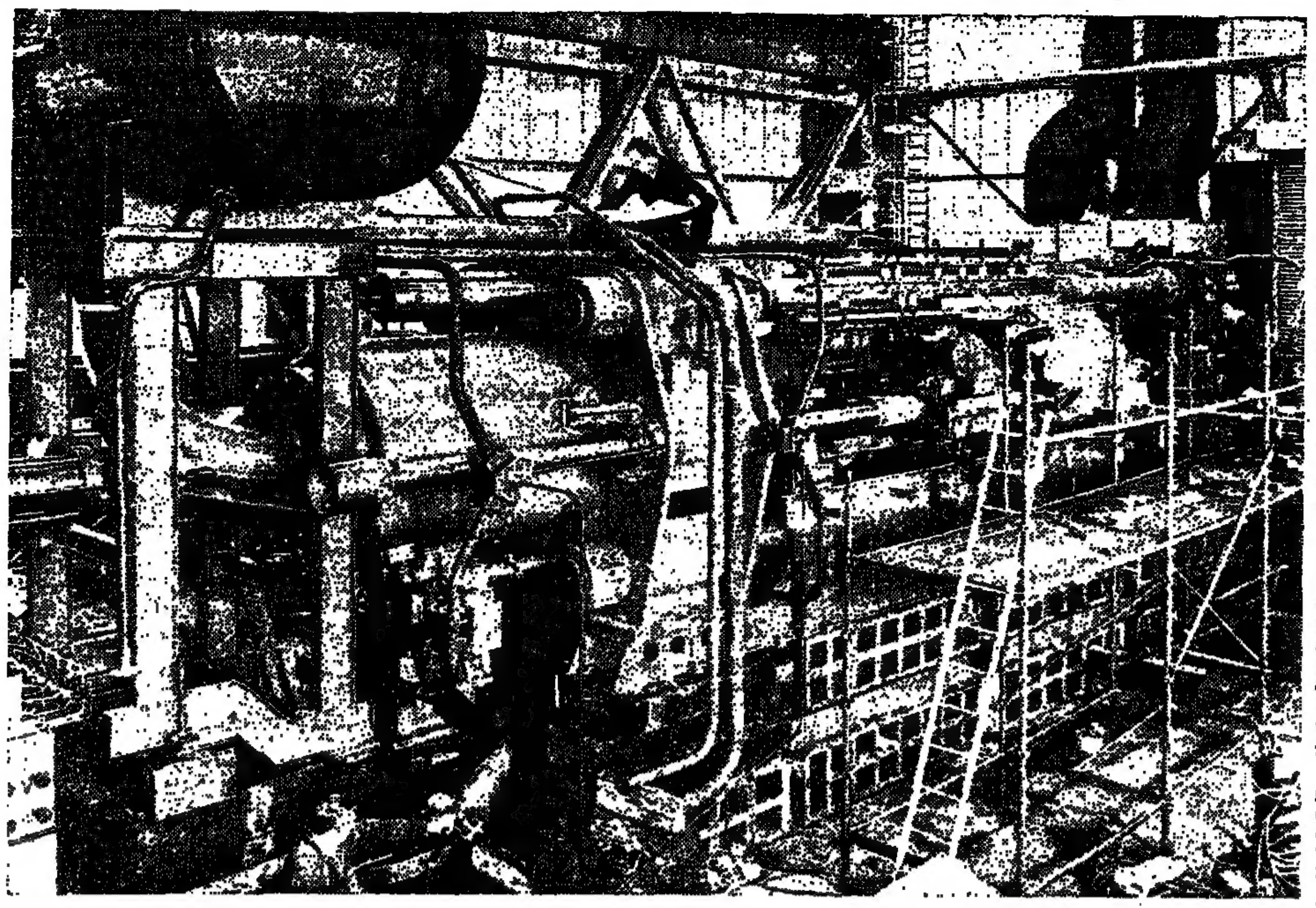
The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● METALWORKING



This massive 2,500-ton piercing type extrusion press, shown in the Gloucester works of Fielding and Platt is destined for Gusums Bruk of Sweden. The press will be employed in the production of copper and brass tubes and wire rod. Ancillaries to be provided with the press will include underwater extrusion run-out equipment which will be used to prevent the formation of oxides on the external surface of copper tubes as they are extruded. Other equipment will include a two-piece billet loader, twin vertical coilers for wire rod, automatic slat and walking-beam conveyors, a storage capstan and a horizontal strip coiler. Power for operating the press will be supplied by five pumps each driven by a 300 hp motor and arranged so that they can work the press either directly or in conjunction with a Fielding nitrogen-oil accumulator system. The method of cutting the extrusion from the discard will be either by a 30 ton shear or a 50 hp swing-frame saw.

Copying lathe for short runs

A NILES DS2-N Copying lathe with programme sequence control is announced by Rembrandt Machine Tools, Caxton Way, Holywell Industrial Estate, Watford, Herts., a member of the T. B. Robertson Group.

DS2-N made its debut at this year's Leipzig Spring Fair and is designed for high-production machining in the automotive and associated industries.

The machine is readily adaptable by means of a range of accessories, for the machine tool, textile machinery, agricultural machinery and electric motor manufacturing industries.

The 15-degree rearward sloping bed, for easy swarf removal and coolant drainage, has a rigid tubular stabilising element, while separation of the headstock from the gearbox ensures that any heat generated is kept away from the headstock. The normal drive comprises a 25 hp main motor with eight-speed main transmission for spindle speeds from 218 to 1,400 rpm, but special main drives can be fitted for particular applications.

The dc feed motor incorporates a regulating circuit allowing for 16 automatically programmed feeds from 1½ ipm to 40 ipm. Alternatively, feeds may be selected by means of gearing.

The upper carriage guide supports the main carriage and one or two copying units for selective copying towards and away from the chuck, while the lower carriage, in addition to the tailstock, supports one or two infeed slides. The copying carriage has, optionally, a single tool carrier or a two-way or triple automatically indexing tool carrier.

Contouring at low cost

NUMERICAL control contouring systems are available from the Process Control Division of Cincinatti Milacron at Dells Lane, Biggleswade, at prices that compare favourably with previous positioning systems.

Because the new system (8-D) is designed in a modular fashion, there is no problem in tailoring it to suit specific applications. Machining centre applications have been catered for with varying degrees of sophistication from simple two axis positioning to two axis contouring coupled with three axis positioning.

A variety of system resolutions, inch, metric, or switchable, are available. Compatibility with any common leadscrew pitch is ensured by a patented "variably modulo" servo system which requires only one measurement transducer even on inch/metric switchable systems—thus keeping costs to a minimum.

Keeps oil mist out of the air

OBJECTIONS TO conventional oil-mist systems that exhaust oil-laden air have been overcome by a new patented system introduced by the Cross Company. The system prevents the oil-mist from escaping by introducing both oil-mist and clean air in a unique arrangement.

Each head spindle and drive shaft is equipped with a pair of close-fitting caps. The first cap contains the clean air entrance port; the second contains the oil-mist entrance port. By allowing the clean air to enter at a slightly higher pressure than the oil-mist, it forces the oil-mist up into the head. Most of the clean air exhausts to the outside but a portion of it does flow up into the head with the oil-mist. Since this flow is constant, it ensures that no oil-mist can escape through the gap between the spindle (or drive shaft) and the caps.

As the oil-mist flows up into the bearings and gears, performing its lubrication job, it exits through a port which is connected to an air/oil separation filter unit. This unit extracts the oil from the air so that only clean, oil-free air is exhausted. Another benefit of the system is that the continuous stream of clean air which escapes from the spindle caps also serves to prevent dirt, chips and coolant from entering the head. This feature is particularly important on horizontal spindle applications.

Further information from Cross International, Knowsley, Prescot, Lancashire.

● ELECTRONICS

Big photo-control range

HONEYWELL of Bracknell has come to the market with a full range of light sources, photocells and retro-reflective units.

Typical of the range is the Model MLS1 unit, a self-contained retro-reflective control. Working equally well in sunlight or at dead of night, under bright fluorescent light or in driving rain, the MLS1 throws an infra-red beam up to 30 feet to a reflector panel, and responds to any activity in the path of the beam within 5 milliseconds.

It has a light-emitting diode light source and solid state circuitry to ensure reliability and long life. Current applications of the MLS1 include sequential and batch counting on production lines, fill and feed control, machinery break detection, and gate and window guarding.

The availability with the Honeywell range of 21 different plug-in logic cards — tailored to specific application areas — permits complete system design flexibility. The logic cards offer variations of on/off control, electronic latch-in, "one-shot" output, time delays and extended alarm signal. A choice of 15 different relay, reed or solid state outputs gives users of the range further flexibility in developing their control systems.

Counter for radiophones

JUST introduced by Marconi Instruments of Long Acres, St. Albans, Herts., is a unit developed specifically for testing mobile radio equipment. But with a weight of only 6½ lbs and a frequency coverage of 10Hz to 512MHz it is also suitable for laboratory work.

Two input channels are provided, selectable by a slide switch. One is a high impedance input with sensitivity of 30mV, which accepts frequencies from 10Hz to 10MHz, and the other a 50 ohm input with 10mV sensitivity, covering 10MHz to 512MHz. This complete frequency range from 10Hz to 512MHz covers all the commonly used VHF and UHF mobile radio bands, and the resolution of 10Hz (up to 500MHz) makes the counter suitable for measurements on systems with any existing or proposed carrier frequency separation.

Frequency is displayed by a four-digit solid-state readout consisting of light-emitting diodes, with an overflow lamp indicating when the count of 9999 is exceeded. An effective readout of eight digits is achieved by means of front-panel switches, giving 10Hz resolution with reading time of only 3.2 seconds.

● COMPUTERS

Collectors of data

PROGRAMMABLE data collection and distribution units which communicate between computers and remote instruments or can operate in a stand-alone mode have been introduced by Digital Equipment Company.

PDM70 is designed to replace existing methods of gathering data with custom-built assemblies.

Housed in a 19-inch stand-alone cabinet with integral control logic and power supply, the PDM70 can collect and distribute analogue and digital data among instruments or between instruments and remote computers. Communication to computers is via serial ASCII through 20mA current loops or EIA levels.

PDM70 can be programmed by means of an optional 16-pad keyboard to serve as a formatter converting analogue and digital inputs into a form suitable for local output devices such as Teletype, X-Y recorders, printers, modems or LED displays.

Normally, the keyboard is used to "set up" the PDM70. However, for day-to-day repetitive operation Digital is offering an optional 64-word PROM read-in module.

Burroughs conversion offers

SIX conversion program products aimed specifically at the IBM 360, Honeywell 200 and 2000, and ICL 1900 series user have been released by Burroughs. Two of the new products translate assembler languages (IBM BAL and Honeywell Easycoder) and the other four allow the other manufacturers source COBOL programs to be easily converted to Burroughs standard COBOL.

All six automatically convert existing source programs and data files to the FORTE (File Organisation Random Technique) Database system with which Burroughs has had a great deal of success.

Compiler by CAP

CAP has been retained by Plessey Telecommunications Research, at Taplow Court to assist in the design and implementation of a compiler for Coral 250. This language is an approved enhancement of Coral 66, specifically designed by Plessey in collaboration with Radar Research Establishment.

The aim of the enhancements is to exploit the features of the Plessey System 250, the processing system selected by the MOD for the Ptarmigan military communication project. The application software for the Ptarmigan project is being written in Coral 250 in fulfilment of MOD requirements.

Storage of computer stationery

ACCORDING to Datakeep, [a] London company specialising [in] high security data storage, growing shortage of paper causing bulk users of compu[ter] stationery to use the compan[y's] facilities for storing stocks [of] blank paper. The total has n[ow] reached about 200 tons, and [the] company has reserved some 7,[...] square feet of space for financial institutions.

It appears that buying pa[per] in large quantities to t[ake] maximum advantage of quan[tity] discounts more than covers [the] cost of storage.

To meet this dema[nd] Datakeep has set aside areas [of] its 150,000 square feet wareho[use] and is arranging facilities for mechanical handling [and] delivery of supplies as and w[hen] required by the users.

● COMMUNICATIONS

Weather watch job for Logica

LOGICA is to collaborate in development of one of the regional message switching centres of the World Weather Watch system, which is being developed to transmit meteorological data around the world.

Logica is sole subcontractor to Philips Telecommunications Industries for the application software of a Meteo switching system which will be installed at the Regional Telecommunications Hub of New Delhi. In addition to servicing national and regional circuits within Asia, the New Delhi RTH will provide main trunk communication between World Meteorological Centres in Melbourne and Moscow and another Regional Telecommunications Hub in Cairo. The third of the three World Meteorological Centres is situated in Washington.

The New Delhi Meteo system will be based on a dual Philips DS 714 message switching computer system.

Logica will provide the on-line application software for the Meteo system, for real-time operation of the dual processors. The two processors will operate in active and standby mode, with automatic transfer to the standby processor in the event of fault or failure in the active equipment.

Hearing in high noise conditions

LATEST addition to the Sebitron industrial intercoms produced by Smiths (Electrical Engineers), Bamber Bridge, Preston, is a remote-call unit which facilitates audio contact between office staff and noisy factory areas. The new equipment is particularly suitable for maintenance-contact or production control duties in rolling mills, press shops and similar areas with noise levels up to 120 decibels.

The desk-top console in this Sebitron system can be c[on]veniently sited in the w[orks] office to provide all essen[tial] intercom facilities. The [unit] incorporates a loudspeaker [with] press-to-talk buttons, for spe[cial] contact purposes, and is equip[ped] with illuminated pushbutt[ons] linked to audio contact po[ints] in the production areas. Up [to] 30 call-buttons are provided [as] standard, but a greater num[ber] of contact points could [be] accommodated if required.

Production personnel wish[ing] to communicate with the w[orks] office are required to wea[r] noise-excluding headset [and] throat microphone. Audio c[om]munication from the noisy p[ro]duction areas is achieved [by] plugging-in the headset lead to [an] intercom socket connection [and] then depressing the associa[ted] call button to signal the wo[rks] office.

The socket connections can [be] strategically sited around [the] production zone and the num[ber] of sockets supplied with [the] Sebitron system will dep[end] upon the intercom requireme[nts] in a particular factory area. [The] noise-excluding headsets [and] throat microphones will [be] plugged in to these sockets [for] use by factory personnel.

● PACKAGING

Saves waste in vending

AT A TIME when packaging is often criticised as an extravagant waster of scarce materials and an enemy of the environment, a new packaging concept—polystyrene cups that interlock to retain their own ingredients—has saved space, cut costs, improved machine reliability and raised standards of hygiene in vending hot drinks.

Klix cups have been designed to form an airtight, hermetic seal when stacked inside one another, so that pre-packed beverage ingredients may be placed in the base compartment of each cup.

Developed jointly by ITW and Mars Foods, both of Slough, the vending cups are made from Monsanto's Lustrex polystyrene by ITW, which holds the world-wide patent.

When incorporated in the new-type Klix machines built for the cassetted cups, they enable the disadvantages of a conventional unit—variable drink quality, unreliability, large space consumption and high service cost—to be eliminated because the ingredient mix, being pre-packed, is constant in quality and quantity and therefore requires only the addition of hot water to transform it instantly into a hot drink, thus reducing working parts to an absolute minimum.

Getting the food out quickly

THE BASIC problem with vacuum packs for catering outlets is the difficulty experienced in opening and extracting the product in a presentable condition.

Mardon Flexible Packaging has an answer—an "Easy Open" pack with peelable tab.

The company's research depa[rt]ment—based at Midsomer N[or]ton, Bath, Somerset—carried o[ut] extensive tests to find materi[als] which provided pack integr[ity] equivalent to a standard vacu[um] pack, yet had the facility for ea[sy] opening.

Six months were spent developing a special adhe[sive] laminate incorporating nylon a[nd] a second barrier film providi[ng] break down when stress [is] applied in a certain mann[er]. This laminate heat-seals to t[he] standard thermoformed base w[eb] of nylon/polythene whose thi[ck]ness depends upon the depth [of] draw. Extensive trials have be[en] carried out on both Uni Roboter RF319—with impul[se] sealing—and the Multivac R70 with constant heat sealing machines. Material has been r[un] satisfactorily on both, with o[nly] minor changes in machine c[on]ditions from standard materia[ls].

Subsequent shelf-life tests ha[ve] shown that the material provi[des] equivalent keeping properties [to] standard packs.

● PROCESSES

Recovering metal from the seabed

DURING Interocean '73, the Second Congress and Exhibition of Marine Research and Resources, which was held in Dusseldorf from November 13-18, Bayer AG, Leverkusen, reported on a new hydrometallurgical process for acid-treated manganese nodules, which has been developed with the co-operation of Duisburger Kupferhutte AG.

Manganese nodules are among the most important mineral raw materials to be found deep down on the ocean bed. Their importance is likely to increase with the growing demand for the valuable metals such as copper, cobalt, nickel and zinc which they contain.

In the first state of the process, these valuable metals are absorbed by the selective action of Lewatit TP 207, an ion exchange resin from Bayer, while the main constituent, manganese, passes through the ion exchange unit. The metals are then eluted from the resin in concentrated form by acid treatment. Individual metals can easily [be] recovered, for instance, [by] solvent extraction, or precipi[ta]tion.

Generally, the advantage of t[he] process is that the valua[ble] metals are recovered from [an] eluate representing only 12 [per] cent. of the volume of [the] original acid used for treatm[ent] of the nodules, which means t[hat] recovery is not impaired by [the] presence of high concentratio[ns] of manganese.

This new combination of sel[ec]tive ion exchange and solv[ent] extraction can also be used [for] other purposes in hydromet[al]lurgy.

More details from Bayer, D-509 Leverkusen, West G[er]many.

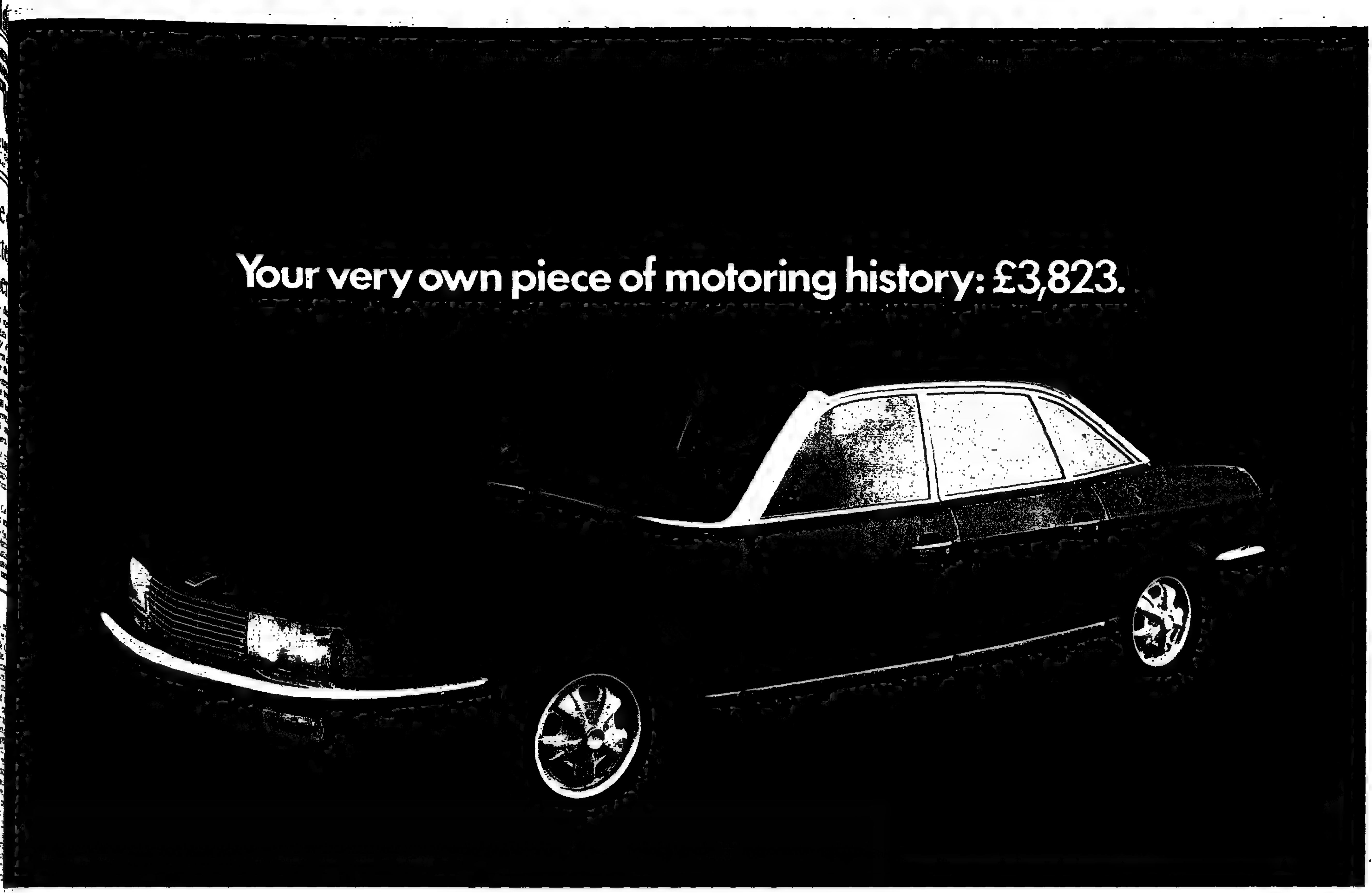
● SURVEYING

Covering difficult terrain

BEAS (British Executive Air Services) helicopters have secured a contract to fly a geophysical survey in north-west Africa for the United Nations and the Government of Morocco.

Scintrex, the Canadian instrument manufacturer and surveyor, which has been asked by the United Nations to prospect in Morocco, chose BEAS from among a number of European operators, due partly to the fact that they were able to offer a Lama helicopter as the survey aircraft—the only one in Britain.

The Lama is a French-built Alouette II airframe with the much more powerful Alouette III turbojet power unit and provides the sort of power/weight ratio which can satisfy the demands of carrying a two-man team, pilot and surveying equipment in mountainous country, where the thin air offers little purchase for the rotor blades and so exacts a high toll in the fuel usage rate.


Your very own piece of motoring history: £3,823.

PARLIAMENT

Labour fury over London and County

Thorpe sits tight-lipped as Tories join attack

BY PHILIP RAWSTORNE

Mr. Jeremy Thorpe, the Liberal leader and a director of London and County Securities, was thoroughly drenched by the political backwash of the company's affairs in the Commons yesterday.

"Now we witness what community politics are all about," cried Mr. Dennis Skinner (Lab., Bolsover). "It is the chairman of the Tory 1922 Committee—Mr. Edward du Cann, chairman of Keyser Ullman—baling out the leader of the Liberal Party."

The Labour attack was roused to even greater fury by Mr. Thorpe's own suggestion that the best interests of the L and C depositors would be served by "a minimum of publicity."

"You want your jam, and want to eat it as well," shouted Mr. Skinner amid Labour jeers. He eventually had to be restrained by the Speaker as he questioned Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, whether it was "a criminal act to go touting for investors' money at a time when the company is sinking."

Sir Geoffrey had rejected earlier demands from Mr. Wedgwood Benn for a Government inquiry into the company—and his charge that this further "abuse of power in the City" made the Government's incomes policy totally hypocritical.

Sir Geoffrey indicated that the company's accounts to the end of March this year had been in order and that the DTI had been given an explanation "which appeared to be acceptable" of a dispute at the last annual meeting.

Though inquiries were continuing, Sir Geoffrey said he did not wish to prejudice the outcome of discussions between the company and its major shareholders.

Neither this nor Mr. Thorpe's assurance about the sound base of the company could dampen Labour's heated demands for more "realistic controls" by the Government.

The Liberal leader sat tight-lipped as Tory backbenchers pressed Sir Geoffrey to ensure this particular face of capitalism was "wholly acceptable."

Question marks were again being raised over a variety of City operations, said Mr. Christopher Tugendhat (C., Cities of London and Westminster). It was important the Commons should be fully informed.

"Well done," Labour MPs shouted—and almost cheered Mr. Norman Lamont (C., Kingston) who alleged that the fall in the L and C share price was a "strong suggestion of insider dealing that should be publicly investigated by The Stock Exchange."

Call for option mortgage review

A CALL to raise the limit of the 100 per cent. Option Mortgage Scheme to £10,000 was rejected by Government spokesman Lord Mowbray in the Lords.

He told the Earl of Kinnoull (C.) there had been no demand from lenders or potential borrowers for an increase of the maximum above the £7,500 fixed in 1971.

Lord Kinnoull said that one building society of moderate size wanted a review. "I suspect that there are many others."

When the limit had been raised from £5,000 to £7,500 in 1971 the price index figure was 144 compared with 116 on the introduction of the scheme. To-day, the figure was 258

Lord Mowbray said that according to building societies only 31 per cent of [illegible] mortgages [illegible] in the United Kingdom in the third quarter of this year [illegible] than 7,500.

Lord Kinnoull: "The 100 per cent. mortgage offers considerable help to young couples who may be forced into the expensive clutches of the second mortgage market."

When Lord Royle suggested the subject might be suitable for a full-scale debate, Lord Mowbray said that the point could be considered.

'Sweetener' for MPs

SACCHARINE, margarine and powdered milk are to be offered as alternatives to sugar, butter and liquid milk in MPs' dining and tea rooms at the House of Commons.

This was stated in a Commons written reply by Dr. Reginald Bennett (C., Gosport and Fareham), chairman of the Commons Kitchen Committee.

He had been asked by Sir Derek Walker-Smith (C., East Herts) to make them available in all the refreshment rooms in the Commons, but Dr. Bennett said the items would be available only to MPs for a trial period to estimate the demand.

Smoking Bill

THE Prevention of Diseases Due to Smoking Bill was introduced and given a formal first reading in the Commons. The Bill was introduced by Mr. Laurie Pavitt (Lab., Willesden W.).

The Historic Churches Preservation Bill, a private member's measure introduced by Mr. Patrick Cormack (C., Cannock), was given a formal first reading in the Commons.

The Bill provides for preservation of churches and other ecclesiastical buildings of historic and architectural historic and architectural of the area surrounding them.

'No ground to intervene under Act'

THE present situation at London and County Securities did not appear to have arisen from any maters in relation to which the Trade and Industry Department's statutory powers could have been exercised, Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, told MPs.

Answering a private notice question in the Commons from Mr. Wedgwood Benn, Opposition Trade and Industry spokesman, Sir Geoffrey said London and County Securities and London and Counites Investments both rendered accounts at six-monthly intervals under the terms of the Protection of Depositors Act 1963.

"The last accounts submitted to my department related to the period ended March 31, 1973, and revealed no grounds for action under the Act," he said.

Accounts for the period ended September 30, 1973, were not due until the end of this month.

"As at March 31, 1973, deposits totalling approximately £60m. were held by London and County Securities while deposits totalling approximately £7.5m. were held by London and County Investments Ltd."

"Following a dispute at the last AGM about certain entries in the accounts concerning the treatment of the cost of acquiring control over a subsidiary company and loans to directors, my officials interviewed the Secretary and obtained answers which appeared to be acceptable.

Information

"Further information has very recently been brought to the attention of my Department and inquiries are still proceeding.

"The present situation does not appear to have arisen from any matters in relation to which my Department's statutory powers could have been exercised."

"I understand that the position of the company is being urgently considered by substantial shareholders and I do not wish at this stage to say anything that might prejudice the outcome of these discussions."

Mr. Benn declared it was clear there should be a Department of Trade and Industry inquiry into this company—"particularly because it looks as if a number of small depositors may suffer."

"Once again, they are the victims of City operations, which are causing great anxiety elsewhere.

"Is it not clear there should be some control system—rather like the one this Government introduced for insurance companies—to deal with problems of this kind?

"Does the Government connect, in its own mind, this type of abuse of power in the city, with the appeal it is making for wage restraint. Is not this policy hypocritical?"

Decisions

Sir Geoffrey: "I repudiate absolutely the implication you have attempted to draw. Any decisions on changes in the system of control are being considered continuously.

"It is much too soon to say that there is any case for an inquiry."

Mr. Jeremy Thorpe, leader of the Liberal Party, who is a director of the company, declared that in this matter the interests of the small depositors were "paramount."

"Is it within your knowledge that as far as they are concerned, normal business by members of the public has been taking place at all the branches to-day?" he asked Sir Geoffrey.

"Also, did you know that the Joint Stock Bank and the Merchant Bank which independently assessed the affairs of this Bank took the view that assets exceeded liabilities?"

"Are you aware that talks have been taking place this weekend, and are continuing, to ensure the security of depositors?

"While it is perfectly proper that the House of Commons should show concern about this, it is in the best interests of depositors that these discussions should continue with a minimum of publicity. . . ."

At this stage, Mr. Thorpe was greeted with jeers from Labour MPs, while Mr. Dennis Skinner (Lab., Bolsover) shouted: "You want your jam, and want to eat it as well."

Mr. Thorpe waited until the shouting had died, then he retorted: "It should surely be in the interests of the whole House

Sir Geoffrey Howe

that the outcome of these talks should be favourable. We will not have to wait many hours before that outcome is known."

Sir Geoffrey: "Certainly, this House must be concerned about the position of the small depositors. That is one of the reasons why the Protection of Depositors Act was passed.

"I have told the House about the extent to which substantial shareholders are already taking part in urgent discussions about the future of the company." He repeated he would not like to say anything likely to prejudice the outcome of the discussions.

Mr. Christopher Tugendhat (C., Cities of London and Westminster) said that although London and County was a small concern, the matter was potentially extremely important and would inevitably raise a question mark over the secondary banking sector and cause questions to be asked about a variety of operations in the City.

When the discussions to which Mr. Thorpe had referred were concluded, it was important the House should be kept informed as to what the obligations of London and County were and who the depositors were.

Sir Geoffrey said he appreciated the concern over these matters, but his first concern was for the future of the company in the light of the factors raised by Mr. Thorpe.

Dr. John Gilbert (Lab, Dudley): "It is alarming that you should say your Department has no statutory responsibility.

"Quite apart from allegations of insider trading, there are questions about the role of the auditors and serious concern that trade continued in this stock when the chairman was making statements that appear, with the benefit of hindsight, to be misleading, at least."

Sir Geoffrey said any suggestions of insider trading or the continuance of transactions in circumstances which might be improper were for consideration elsewhere, but could be taken into account in the formulation of legislation to be considered by Parliament later this session.

Deposit on goods: action urged

A REQUEST for the Government to direct the Director-General of Fair Trading to investigate certain companies advertising goods, accepting deposits and subsequently going into liquidation before the goods were delivered, was refused in the Commons to-day.

Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, told Mrs. Sally Oppenheim (C. Gloucester) that his powers did not enable him to do so in this case.

"I intend, in general, to leave the Director-General to evolve his own order of priorities."

Mrs. Oppenheim claimed there was "widespread concern among consumers and trading standards officers" over this practice.

"Are you satisfied that it is always made clear to consumers on such occasions that, if they have actually paid a deposit for the item in stock at the time of liquidation, then they have a lien to it?"

Sir Geoffrey said he appreciated the concern. He had given it some consideration himself, and at present it was being considered by the principal associations concerned with advertising, and the publications in which the advertising appears.

He was hopeful that an agreement could emerge which would provide some more general useful solution.

● Following remarks by Mr. Alan Williams (Lab., Swansea, W.) on Christmas "killer toys," Sir Geoffrey said the Parliamentary Secretary at the Home Office was considering the matter.

"It is wrong to suggest the Director-General of Fair Trading can take swift action in time for Christmas. I hope people will take account of the potential dangers of toys and other products."

Teachers' new rules

NEW proposals which will eventually mean that only those who have completed an approved course of professional training will be accepted as qualified teachers are being put forward by Mrs. Margaret Thatcher, Education Secretary.

In a Commons written reply to Miss Janet Fookes (C., Merton and Morden) Mrs. Thatcher said she would ask the Commons to approve the proposals contained in the Schools (Qualified Teachers) Regulations 1973.

Under the new regulations, a person who acquired an approved "special qualification" after the end of this year would not be accepted as a qualified teacher unless he had also completed a course of professional training, Mrs. Thatcher said.

The requirement of prior professional training, which already applied to teaching in maintained primary and special schools to people who acquired a degree or other approved "special qualification" after December 31, 1969, would now be extended to teaching in maintained secondary schools with a critical date of acquisition of the "special qualification" of January 1 next.

Pay restraint policy stopped staff poaching—Sir Frank

BY JOHN ELLIOTT, LABOUR EDITOR

A FORTHRIGHT defence of the effect pay restraint policies have on labour shortages was made yesterday by Sir Frank Figgures, Pay Board chairman.

Speaking to East Midlands engineering employers at a time when widespread shortages are hitting major industries and services, Sir Frank warned "the labour supply problem is likely to be with us for some time to come."

Answering critics who condemned the Government's pay policy which prevented the attracting of labour with higher wages, Sir Frank claimed that the policy had "helped deter the poacher."

"It seems that, for a long time now, we have attempted to resolve the problem of labour shortage, particularly in times of high employment, simply by throwing money at it—and by little else," declared Sir Frank. "That is presumably why people tend to see any attempt to limit the amount of money available in terms of pay increases as a direct cause of labour supply difficulties.

"My submission is that, far from exerting an essentially restrictive influence on our problems, incomes policy has, for the economy as a whole, played a constructive part. It has helped to prevent the auction for scarce staff getting out of hand."

The Stage Three Pay Code's 1 per cent. flexibility margin and the provision for efficiency deals could be harnessed by employers to help them over their problems, Sir Frank maintained.

He did not agree with those who claimed that the present labour shortages arose essentially out of employees moving to more highly paid jobs because in their present employment their pay was held down.

"All I can say is that this happened long before incomes policy. And the available labour turnover figures, at least between November 1972 and August 1973, show a much lower rate of movement than most would expect, particularly with our present rising employment levels," he declared.

Counter-bidding on wages by employers contributed to wage inflation, which was one of the causes of the introduction of the present programme of restraint, and contributed little to relieving the situation over any length of time by effecting the required redistribution of labour.

BAKERY WORKERS TO GO BACK

THE THREAT of a serious bread shortage in the Manchester area was averted yesterday when 180 employees at Richard Sharrocks' Sunblest bakery at Bredbury, Cheshire, agreed to end their week-long strike to-day.

If a settlement had not been reached 5,800 members of the Bakers' Union throughout the Manchester area had threatened to stop work in support of the strikers.

The dispute arose over new working schedules which the men said were "unsocial." It has now been agreed that the previous working hours will apply while negotiations continue. Executives maintained production at about 20 per cent. below the normal level during the stoppage.

Anomalies rises for 14,500 civil servants

BY OUR LABOUR STAFF

SPECIAL PAY rises ranging from £1.15 to just over £3 a week are to be paid out to about 14,500 Civil Service messengers and clerks who form the lowest paid white-collar Civil Service grades.

The rises count as "anomalies" under the Stage Three Pay Code and follow the Government accepting the Pay Board's report which recommended that some 400,000 civil servants should receive special rises to compensate for losses they suffered as a result of last winter's pay freeze.

Last month rises of up to £1,000 a year were announced under the same system for 135,000 middle-ranking white-collar civil servants.

The rises announced yesterday, by the Civil Service Department, are subject to Pay Board vetting and the grades covered are described as "messengerial and paperkeeping."

New pay levels established by the rises give top rates such as £23 a week for a messenger, £27 for a senior paperkeeping and £1,676 a year for a principal paperkeeper.

Leyland Llanelli plant halted

A STRIKE yesterday brought production to a standstill at the car body factory at Llanelli of British Leyland. More than 1,000 production workers were involved. If the strike continues it could seriously affect other factories in the British Leyland group.

The dispute is over an inter-union row concerning the proposed transfer of a train driver to another job.

A spokesman for the Transport and General Workers' Union, whose members are on strike, said a question of promotion was concerned.

An official of the Amalgamated Union of Engineering Workers said the proposed transfer complied with a long-standing agreement

Police pay plea likely

FINANCIAL TIMES REPORTER

THE CASE for an increase in police pay is likely to be made to Mr. Robert Carr, the Home Secretary, by the new Greater Manchester County Council.

A meeting of the county police committee was told yesterday that the projected force, the biggest outside London with a recommended complement of 7,865, could face a shortage of 2,000 men.

Councillor James Hargreaves, committee chairman, said. "Apparently recruits who come to us do not stay very long. There is a tremendous wastage and this is a matter of great public concern."

Petrol: voluntary economy 'sufficient for time being'

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT yesterday declined to take up calls for immediate petrol rationing when MPs complained in the Commons of "total chaos" with motorists scrambling for petrol.

Mr. Tom Boardman, Minister for Industry, made clear his view that, at least for the time being, voluntary economy in the use of petrol was sufficient.

Nor was he prepared yesterday to treat as acceptable some other proposals for economy in the use of electricity proposals such as cutting back on less essential lighting in streets and on motorways and the restriction of television transmissions to three hours a day.

The Minister maintained instead that there appeared to have been no significant change in total oil company stocks during the last weeks, "notwithstanding the heavy stocking undertaken by consumers."

From the Tory backbenches, Mr. Peter Rost, (Derbyshire SE), wanted to know how many days of oil at the present rate of consumption were now held in reserve and how much was estimated to be in shipment.

Mr. Boardman said that assessment of oil stocks could fluctuate considerably over a short period for a variety of reasons, and insisted that figures quoted on a week-to-week basis could be misleading.

Mr. Rost, calling for more immediate measures, contended that the 10 per cent. cut back of energy for industry was already beginning to have serious effects on production, with the prospect that employment would suffer even more.

Only immediate rationing would get round the "chaotic distribution set up" now prevailing.

Additional restrictions, including reduced TV, would help channel some of the energy needs into greater priority requirements like industry and would help keep the economy afloat, he told the Minister.

Mr. Boardman responded to this call by saying: "It is our intention to do everything we can to see that industry suffers the minimum amount of damage from the disruption of supplies.

Tankers

"In addition to the regulations to constrain or contain electricity consumption, the appeals which have been made for the maximum economy in the use of all types of fuel remains valid.

"If it is necessary to bring in further measures — more stringent measures—to reduce demand, this will be done."

Pressure for stricter measures forthwith was reinforced from the Labour side. Opposition spokesman for industry, Mr. Eric Varley, condemning the situation in which motorists were scrambling for petrol, demanded the Government should "stop dithering and take positive action."

The Central Electricity Generating Board had had to reduce voltages in order to conserve oil supplies, he pointed out.

Mr. Boardman said the voltage reductions were due to a reduction in coal supplies and also, in part, to the industrial action taken by the electrical engineers.

Questioned about the position of tankers and whether they were being held up, the Minister said: "To the best of my knowledge none are waiting to discharge nor is there a shortage of ullage."

In the Lords, peers gave an unopposed Second Reading to the Fuel and Electricity (Control) Bill, which gives the Government powers to introduce petrol rationing and restrict power usage. The Bill has already passed through the Commons.

But there was some strong criticism from the Opposition on the way the Government was proceeding.

From the Labour front bench, Lord Hoy wanted to know if it was the Government's intention to inaugurate petrol rationing, or whether every retailer was to be left to make a rationing plan of his own.

Lord Drumalbyn, Minister without Portfolio, pointed out that the shortage of coal as well as the action of the power engineers had also had an effect on the situation, but he denied a contention from the Opposition that he was trying to blame the miners for the present position.

As a result of the miners' action coal supplies had been at 25-30 per cent. below normal and in this situation, the Government had to take all factors into account.

Concorde secret under fire

BY JOHN HUNT

THE GOVERNMENT'S refusal to reveal information relating to the final selling price of Concorde came under attack in the Commons yesterday from Mr. Edmund Dell, chairman of the Public Accounts Committee.

The Government, in its reply to the committee's criticisms, had said prospective purchasers would be able to drive a harder bargain if they knew the basis of calculating the selling price.

"I must say frankly that I consider that argument extraordinary," said Mr. Dell, opening a debate on the committee's work during the last session.

"This attitude doesn't appear to have been taken regarding the disclosure of Atomic Energy Authority royalties, although the authority operates in a highly competitive market."

Mr. Dell was particularly critical of the Government's refusal to divulge the size of the research and development levy on the aircraft. This is the amount that the Government may add to cover its research and development costs.

It was really extraordinary he added, that the Government should imagine that knowledge of the levy would make any difference to the seller's attitude.

"We are facing £1,065m. of estimated development costs so far and more to come with the possibility of large additional production losses."

In these circumstances, he did not believe that the ordinary well established practice of not giving the full figures could prevail.

The Government was really arguing that small savings could be made by foregoing the advantages of greater public knowledge about the project, even though the estimated cost was now six times the original estimate.

"I don't think that is an adequate reply," said Mr. Dell, who is Labour MP for Birkenhead.

The incentive contracts which had been introduced on the project had proved to be of little value. "In these circumstances, the House will appreciate that this figure of £1,065m. cannot be hoped to be the final figure for development costs."

Mr. Dell also accused the Government of failing to give an adequate reply to the Committee's criticism of the low taxes paid by the North Sea Oil companies and the low returns yielded by the licences granted.

He stressed the need for a quantity tax, to be levied according to the amount of oil brought ashore by the companies. This was even more necessary now in view of the oil crisis and rising oil prices.

Equal pay strike ends with £1.30 for women

By Our Labour Staff

WHITE COLLAR workers at two of Hawker Siddeley Aviation's plants in the Manchester area ended their two-week equal pay strike yesterday, after accepting a company offer to give increases of £1.30 a week to all women employees as a move towards equal pay.

The 690 men and women—members of the Association of Professional, Executive, Clerical and Computer Staff—had been demanding increases of £1.50 a week for women, which they claimed was one-third of the pay differential between male and female rates for the same jobs, and which can be paid outside the pay limit of the Government's counter inflation policy.

They had previously rejected two offers from the company to increase women's pay rates by regrading them.

Further talks will be held between the company and APEX for a revised pay grading scheme for both men and women.

REPRIEVE FOR 200 STAFF

Two hundred industrial workers in Bristol have been told that their jobs are safe until the new year, but that no guarantees can be given after then.

They work for Newman Industries, of Feeder Road, who said yesterday that the factory is up for sale. No deal will go through this side of Christmas, and Newman hopes many of the staff will be kept on when the factory changes hands.

Mersey ferries normal to-day

MERSEY FERRIES between Liverpool and Birkenhead and Wallasey will be back to normal to-day after the strike of crews on Friday evening.

Some 100 crews were involved in the dispute over pay and conditions.

THE OIL SITUATION

British Airways cutting back on low-booked flights

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

Michael Donne, Aerospc Cor.

[BRI]TISH AIRWAYS has begun [to] cut back some of its long-[dist]ance flights to save fuel. For [this] week, about 50 flights into [an]d out of Heathrow have been [can]celled and more may go if the [oi]l situation worsens.

Yesterday, British Airways [can]celled flights out and back to [Ne]w York, Detroit, Osaka, Bom-[bay], the Seychelles and Mexico. [To]day, it will cancel some flights [to] Miami, Sydney, Tehran, [Os]aka and Kingston.

Passengers are being given as [mu]ch notice as possible, but are [ask]ed to contact British Airways' [Ov]erseas Division for informa-[tion].

The flights cancelled are those [wh]ere bookings are low and [wh]ere passengers can be carried [on] other British Airways' flights [or] those of other airlines.

The British Airways' schedul-[ing] committee is sitting daily to [stu]dy bookings and work out where flights can be sacrificed with minimum inconvenience to passengers.

A spokesman said: "It is not a case of haphazardly cutting flights, but giving careful consideration to each individual service." The airline cannot give much advance warning of cuts, although it is trying to work up to a week ahead. Much depends on the availability of fuel supplies, especially on the U.S. East Coast, where deliveries have been cut heavily.

British Midland Airways, the independent operator, said it was cutting both internal and European services by more than 10 per cent. immediately, to save about 100,000 gallons of fuel a month, although it would keep Christmas flights intact.

Among the cuts will be some on the recently-introduced flights between East Midlands Airport, Derby and Paris.

Pressure for rationing [ri]ses in Italy

ROME, Dec. 3.

[THE] DEMAND for petrol ration-[ing] in Italy in the place of the [ban] on Sunday driving which [ca]me into effect yesterday, [acq]uired increasing urgency to-[day]. However, the fact is that [at] the moment the Government [is n]ot in a position to introduce [rat]ioning for the simple reason [tha]t the necessary ration cards [hav]e not even been printed yet.

Although rationing is thought [to] be inevitable in authoritative [cir]cles, the Government is still [undec]ided on how it should be done. [Un]til this has been overcome it [wil]l not be possible for the Gov-[ern]ment to order the printing of [rati]on books and even start [mak]ing administrative prepara-[tion]s for rationing.

Even though Italy's first no-driving Sunday yesterday went reasonably well, the general repercussions throughout the economy of a restriction of this kind, it is feared, are likely to be very severe. They are expected to be much greater than the benefits derived from reduced petrol consumption. It is estimated that between 8m. and 10m gallons of petrol were saved yesterday.

Reuter reports: More than 1,300 Italian drivers were caught breaking the country's Sunday driving ban on the first day of new fuel saving regulations, police said to-day. Drivers who defied the ban face maximum fines of L.1m. (£700).

Ferry surcharge warning

BY JAMES McDONALD, SHIPPING CORRESPONDENT

A warning that carriers might [be] forced to impose a fuel [sur]charge in 1974 because of the [oil] crisis was given over the [week]end by Mr. W. B. Mulligan, [gener]al manager of the British [and] Irish Line, operating car [and] freight services between [Liver]pool-Dublin, Swansea-Cork, [and] the Continent.

[M]r. Mulligan added that the [f]uel crisis "could dramatically [affec]t our plans which have [been] on the assumption that we [can] obtain the fuel to operate [our] schedules and that there will [be n]o petrol rationing."

[B] and I Line—which is Irish-Government controlled and is largely dependent upon tourism—would seek a petrol allowance for tourists with the co-operation of other tourist interests if petrol rationing was introduced, said Mr. Mulligan.

In this context he pointed out that the car tourist market in 1973 had recovered to such an extent after the depression in 1972 that the company had been considering replacement of car ferries—"a bigger or a second car ferry on the Cork-Swansea route and an additional ferry on the Dublin-Liverpool route by 1976."

The queue for petrol in Southwark yesterday being controlled by a mounted policeman.

Car and lorry sales begin to tail off

BY JAMES ENSOR

MOTOR traders in Europe are now receiving the first indications of the likely effect of the oil situation on car and truck sales. After an initial surge of sales in Britain and France, sales of both cars and trucks appear to be reacting as predicted to the threat of rationing and short petrol and diesel oil supplies.

The order intake, particularly for larger cars, is now much lower than in the summer months and dealers are becoming concerned about the likely market after Christmas, when the lack of orders may begin to have an impact on sales.

After showing very strong demand in the first 20 days of November, the British market has been much quieter in the past fortnight. Total November sales are not expected to be much higher than 116,000, although early indications suggested that the total might reach 136,000. A significant decline in sales towards the end of the month, as fears of petrol shortages began to have an influence on buyers, has changed the earlier optimistic assumptions.

The market in Belgium and the Netherlands, the first two European countries to introduce a ban on Sunday motoring, has already shown a substantial decline. New orders for cars and trucks are well below the levels expected for this time of year. Germany, where Opel and Ford have already announced the introduction of some short time working due to the energy situation and the economic recession in Germany, new orders for cars are only about half of normal levels.

In France, orders for small cars, particularly the economical Citroen and Renault models, are actually higher than normal. Citroen has reported an increase of 20 per cent. in the orders for its "deux chevaux," Dyane and Ami models. But the market in France may have been encouraged by the fact that the Government is about to permit price increases on cars. And so far, the French have not followed other European countries in banning Sunday motoring, so that sales have been less affected than in Belgium or the Netherlands.

British car sales are likely to remain reasonably strong for the time of year—it is the annual trough in car sales—until the excess demand for cars, which has been apparent right through 1973 is fully satisfied. The order book for the more expensive British cars, such as Jaguar, Rover, Triumph and Rolls-Royce is so strong that sales would not be affected for several months even if no new orders were placed. Motor traders, however, are anxious that if the order outlook does not improve, sales will inevitably suffer in January.

Used car prices have begun to reflect the uncertainty about the future size of the car market. Traders have automatically widened their margins between bid and sales price, especially on large cars. Since it is the time of year when traders are trying to reduce their stocks of used cars there have been cases where they have refused to bid at all for cars or have offered derisory prices.

The market, as judged by the prices of cars actually traded, has fallen about twice as fast as in a normal year. Glass' Guide, which provides a barometer of used car prices, reports that the normal fall in the price of a used Ford Granada or Jaguar in the £1,500 price bracket of perhaps £35 in November, has increased to about £70.

The editors of the Guide anticipate that December will also show a doubled rate of depreciation, worth, say, another £70, and that if petrol rationing is introduced this might increase to £150.

The truck market seems likely to be the hardest hit by fuel shortages. The prices of older trucks, bought mainly by small operators, builders and merchants are likely to fall by as much as £100 on a £500 truck. Demand for new trucks, in turn, is bound to be affected by the weakness in used vehicle prices and by the uncertain economic outlook.

Japanese gas deal in Indonesia

By Our Own Correspondent

JAKARTA, Dec. 3.

WHILE Japan is urgently searching for new energy resources, Indonesia's State-owned oil company Pertamina to-day signed a 20-year $3,000m. contract with five major Japanese companies to supply liquid natural gas.

Four of these companies are electric and gas companies while the fifth is Nippon Steel Corporation. This is the biggest LNG contact by Pertamina with an annual delivery of 7.5m. tons annually. An earlier contract with the U.S. was for 4.5m. tons.

It is also the first time Pertamina has sold on a c.i.f. basis, thus taking the risk in delivery. For this Pertamina has arranged transportation by Burmast East Shipping, a subsidiary of Burmah Oil.

The first delivery of gas is expected at the beginning of 1977. The gas will be supplied by the Badak fields in East Kalimantan, operated by the Huffco group, and the Arun fields in Acch, North Sumatra, operated by Mobil Oil Indonesia, both under production sharing contacts with Pertamina.

The other four Japanese companies are Chubu Electric Power, Kansai Electric Power, Kyushu Electric Power and Osaka Gas.

Saudis seeking West German industrial aid

BY MALCOLM RUTHERFORD

BONN, Dec. 3.

SAUDI ARABIA is seeking West German help in the country's industrialisation as a condition for stepping-up its oil and natural gas supplies.

This was spelled out to-day in an interview with Sheikh Ahmed al Yamani, the Saudi Oil Minister, in to-day's Der Spiegel. It was also believed to be the object of a surprise visit to Bonn by Mr. Omar Sakkaf, Minister of State for Foreign Affairs.

Mr. Sakkaf had talks this afternoon with Herr Walter Scheel, the Foreign Minister, and also saw Dr. Hans Friderichs, the Economics Minister, as well as leading officials from both ministries.

According to West German sources, a visit by Mr. Sakkaf was agreed in principle when the two countries discussed the resumption of diplomatic relations in September. The initiative for it taking place now, however, came from the Saudis.

In the Spiegel interview, Sheikh Yamani asked for Western arms supplies as a sign of support for the Arab cause. He said that the Arabs are currently working "on the effects of a rise in oil prices to $10 or $15 or $20 a barrel." He added, "Perhaps we shall have a price of $10 in 1975, perhaps earlier."

On the question of industrialisation, he says, the Saudis need two things: technology and markets. The Western countries have both, but the U.S. has declined the offer. If the West Germans supply them, they can have both gas and oil.

A spokesman for the Bonn Foreign Ministry said a number of co-operation projects had already been discussed in September, but evidently not at the pace which the Saudis now appear to be suggesting. There will be further contacts in the near future.

Mr. Sakkaf's talks to-day were said not to be a substitute for the long-awaited visit by Sheikh Yamani and his Algerian counterpart, which was put off again because of their departure for the U.S. The Ministers are now expected here in the second half of the month.

Richard Johns writes: The Saudi Minister of Petroleum was presumably talking about the posted price, or tax reference, for oil.

For 34 degree API Light Arabian crude, an almost standard yardstick, the posted price in November was $5.176 per barrel giving a revenue to the Saudi Government of just over $3.

This compares with the $12.60 achieved by Tunisia in spot sales of crude oil. A level of $8.20-50 is reported to have been realised by the National Iranian Oil Company for a small quantity of crude, while the price quoted to Japanese customers for larger volumes last month was about $3.85.

The level of Arab cuts in production will obviously have a crucial bearing on the price of oil. Experts of the member countries of the Organisation of Petroleum Exporting Countries are meeting in Vienna on December 22 to consider the basis on which the tax reference should be set in the light of market conditions.

'No January cuts, unless . . .'

ABU DHABI, Dec. 3.

ABU DHABI'S Petroleum Minister, Mr. Mana al Oteiba said no further cuts in Arab oil production are envisaged in January, beyond the present 25 per cent. minimum, unless circumstances change.

Previously, Ministers of Arab oil producing countries have threatened to continue the progressive five per cent. output cutbacks into January, though promising exemption for "friendly" countries such as Britain, France and Spain.

The Minister told a Press conference Arab countries are prepared to investigate ways to restore the flow of oil through Rotterdam to third countries, while ensuring it did not remain in Holland or go to the U.S.

"We are moderate and open-minded and ready to study with Europe any project they wish to present to us," he said.

His Government is satisfied that the oil companies are exporting oil from Abu Dhabi as it wished. But any company found cheating would be punished, he said.

Mr. Oteiba denied that the production cuts were being used to raise oil prices. They were "a weapon of war."

"We are prepared and willing to produce more than our own needs to satisfy the rising demands of the industrial world for energy, and we are prepared to help the Western world in developing its industry, on condition that these countries help us in diversifying our economic base and developing new industries."

In a separate interview with journalists, the President of the United Arab Emirates and ruler of Abu Dhabi, Sheikh Zaid, said the Arab nation wishes to cause no damage to Western economies.

Asked if the UAE was prepared to go on with oil sanctions and production cuts even if they led to destruction of European economies, Sheikh Zaid replied "certainly not."

Reuter

Hailsham attacks Labour MPs over Donaldson

BY RICHARD EVANS, LOBBY CORRESPONDENT

LABOUR MPs who have criticised Sir John Donaldson as President of the National Industrial Relations Court were fiercely attacked by Lord Hailsham, the Lord Chancellor, last night for their part in calling into question the rule of law.

Lord Hailsham accused the 180 Labour MPs who have signed the Commons' motion calling for Sir John's dismissal of abusing the privilege of the Order Paper to make a personal attack on a judge with whose opinions they disagreed.

It was an extraordinarily political speech which is certain to increase the temperature in to-day's Commons debate on a "shadow" Cabinet motion regretting "the involvement of the NIRC in matters of political controversy."

Mr. William Whitelaw will be making his maiden speech as Secretary for Employment during the debate.

Lord Hailsham's intervention follows growing demands from Labour MPs for the dismissal of Sir John because of the court's £75,000 fine on the Amalgamated Union of Engineering Workers and the sequestration of the money from the union's political fund.

Speaking at the Junior Carlton Club in London, the Lord Chancellor said he saw the demands as a grave constitutional issue and urged that the challenge to the rule of law should be seen in a political context.

"There is only one thing I do, and that is to appeal to the public, to the voters of the country, to note the identity of the Members concerned and the party to which they belong, to sound the alarm and ask the moderates of every party and of none to stand together against any constitutional innovation of this kind and to strike a blow for the integrity and independence of the judges of this country and the immunity of each one of us from being traduced by an abuse of privilege."

Lord Hailsham argued that one of his main functions was the protection of the independence of the judiciary against all threats whatever the cost to himself.

If a group of MPs made a personal attack and sought to remove him as a result of a judicial decision which displeased them what remedy was there, Lord Hailsham asked.

There was no remedy save in Parliament itself which must pull itself back from the brink, or in the last resort from the electorate who must ponder such a grave constitutional issue and put the decision of such matters above private interest.

"And what of a judge who has been traduced so unjustly and by a motion every statement of fact in which is false and could have been ascertained to be false at the time the motion was put down?" the Lord Chancellor asked.

Suppose that a judge appointed by a Lord Chancellor of unblemished reputation of the opposite political persuasion to the party now in power had been traduced unjustly and then defended himself not by commenting adversely on the conduct of the Members who had slandered him but simply and boldly stating the time facts which showed the allegations to be biased and partisan, should be be criticised for them?

"We live in grave times," Lord Hailsham declared. "The symptoms of our malaise may be economic and may show themselves in price rises and industrial disputes but underlying the symptoms is a desease which has destroyed democracies in the past."

U.S. General Electric team for London nuclear talks

BY DAVID FISHLOCK, SCIENCE EDITOR

A TOP-LEVEL team from U.S. General Electric will return to London next week with the company's proposals for meeting Britain's latest nuclear power specification.

It will answer tough questions on delivery, performance and cost for its design of boiling water reactor (BWR), and on the proportion of nuclear engineering to be carried out in Britain, on offset agreements with the company to balance overseas purchases, and on safety and research programmes.

The basic specification, drawn up by the Central Electricity Generating Board, calls for a large nuclear programme during the rest of the 1970s, based on U.S. designs of light water reactors.

The programme would be carried out by the newly-created National Nuclear Corporation, backed by guarantees from the U.S. licensor of the nuclear reactor selected.

The CEGB is understood to have drawn its specification on the basis of proposals from Westinghouse Electric, vendors of the pressurised water reactor (PWR).

The National Nuclear Corporation, 50 per cent. owned by the General Electric Company (unrelated to U.S. General Electric) and hence dominated by GEC's Sir Arnold Weinstock, managing director, is therefore being courted by every nuclear vendor who believes he can match the CEGB specification.

A team led by Mr. Edward Hood, vice-president and chief executive of U.S. General Electric's power generation division, in London last week learned from Government and industry officials the basic proposition.

This proposition assumes that the British Government is willing to abandon current commercial nuclear reactor designs and import a U.S. design, ready-made, making few if any modifications.

Guarantees

British officials emphasise the guarantees required from U.S. General Electric would include both reactor engineering and nuclear fuel. What was being asked in each case, a spokesman for the U.S. company said, was a guarantee that U.S. General Electric would in each case transfer its technology to British industry.

Should the British sub-contractor fail to meet deadlines, however, the U.S. company would make good any shortfall from other sources.

Such guarantees, the spokesman admitted, were "very tough." His company was making every effort, however, to guarantee the CEGB a nuclear steam supply system with a high British engineering content.

Discussions Mr. Hood and his colleagues had last week with members of the Parliamentary Select Committee on science and technology disclosed, said the spokesman, "the craziest notions" about the amount of foreign exchange that such a switch to U.S. reactors might mean for Britain.

Of a £200m. nuclear plant (about 1,200 MW), the maximum value of engineering the U.S. company believed would need to be imported was £20m. It would, however, be all on the nuclear side, which is less than half the total cost of the plant. The company was working hard to minimise the amount, and to make proposals for balancing the nuclear imports with purchases from Britain.

The company is also expected to answer questions about the long-term research and development programme required to back up a light water reactor. Any deal here might be expected to contain reciprocal offers of involvement in the fast reactor programme of the U.K. Atomic Energy Authority.

Mr. Hood and his team are expected to return to London at the end of next week. On Tuesday, Sir Arnold Weinstock is scheduled to appear again before the Parliamentary Select Committee, to answer questions about the feasibility of the CEGB concept of an "off-the-shelf" reactor.

Europe to U.S. tourism up

BY ARTHUR SANDLES

UPHEAVALS IN currency exchange rates, the Middle East war, and political uncertainty within the U.S. have produced a major shake-up in trans-Atlantic tourist traffic.

While the number of Americans leaving the U.S. for Europe has dropped by 12 to 13 per cent. recently, the number of Europeans going to the U.S. has risen by at least a quarter.

These changes have considerable implications for the tourist accounts of the countries involved. At the moment Britain has a tourism surplus, produced largely by American custom.

The U.S., on the other hand, has a $3,000m. deficit, much of it due to American visits to Europe.

A slowdown in the growth of tourism from the U.S. was seen early this year. In September, however, the U.K. figures showed a 9 per cent. fall off in U.S. visits to Britain. Other countries may have done worse.

The American Passport Office estimates that the number of Americans visiting Europe fell by 12 per cent. in September compared with the same month a year earlier.

Airline sources are saying that September and October were "very bad months, indeed" for tourist traffic and there is an all-airline estimate of 4.4m. empty seats on the North Atlantic in the first eight months of this year.

Most of those empty seats, though, were those normally occupied by Americans heading towards Europe. Traffic in the opposite direction has been increasing rapidly.

Official American statistics show that the U.S. had a 24 per cent. rise in the number of foreign visitors in the first nine months of the year. Japan was the biggest source of custom, showing a 61.1 per cent. increase in traffic and supply 465,165 tourists.

Most of these visitors go to California and other West Coast States. Mainstay of the Eastern seaboard are the British second to the Japanese with 385,390 visitors in the first nine months of the year, a rise of 26.1 per cent.

Recently the swing in tourist traffic was noted by Morgan Guaranty Trust Company which pointed out that the American tourist deficit had shown signs of shrinkage in the first half of this year.

Its Morgan Guaranty Survey gave one of the reasons as "a dramatic change in the cost of foreign travel—generally cheaper for foreigners coming to the U.S., more expensive for Americans trekking overseas."

Freddie Mansfield

Mr. Derek Ezra, chairman of the National Coal Board, (left) and the miners' president Mr. Joe Gormley, take time off from the miners' pay dispute at a Coal Industry Society lunch in London yesterday.

Appeal to miners from Ezra

By Our Labour Correspondent

A PLEA to miners not to imperil the coal industry's brighter future came yesterday from Mr. Derek Ezra, chairman of the National Coal Board.

Addressing a Coal Industry Society lunch yesterday as the miners' ban on overtime entered its fourth week, Mr. Ezra said that contraction of the industry could not be halted if large tonnages of coal are lost each year through industrial disputes.

"Our customers will not accept our arguments about security of supply if we go on in this way."

It remained the intention of the Board to remunerate adequately and satisfactorily all who worked in the industry, said Mr. Ezra, adding that what could be done at any one time would clearly depend on circumstances.

But improving productivity and increasing costs of other fuels should provide the headroom for progressive improvements over a period—and it is surely the longer-term prospects and opportunities that count.

Mr. Ezra stressed that the planning and preparation for this could only take place in a "settled industrial atmosphere."

Mr. Joe Gormley, president of the National Union of Mineworkers, was also a guest at the lunch.

After Mr. Ezra's speech, Mr. Gormley said: "I agree completely with much of what Mr. Ezra has said.

"Our quarrel is not with the NCB but with the Government. It is for them to come to some arrangement which will end this dispute."

The NCB revealed yesterday that coal production was down 31 per cent. last week—about 730,000 tons—bringing the total loss to date as a result of the overtime ban to just over 2m. tons.

Yesterday's losses, following another week-end without miners performing essential safety and maintenance work, appeared to be rather less than a week ago when they jumped to 41 per cent.

Only about 619 miners were sent home yesterday morning while essential maintenance work was carried out. This compares with over 2,000 men who either went home or were sent home last Monday.

There were also late starts in most areas but many pits appeared to be working normally. The NCB reports rising absenteeism by miners in the North-west which is now running at between 20-30 per cent.

Yorkshire Bank will not join clearing banks

BY MICHAEL BLANDEN

THE YORKSHIRE Bank and the Scottish clearing banks have both turned down an invitation from the London clearing banks to become members of the London Clearing House.

The news follows the move earlier this year to open up the clearing house to enable other participants to share the efficient service it provides for the transmission of cheques and money transfers through the banking system.

Partly prompted by the request from the Co-op Bank, the London clearers sent invitations as well to the Yorkshire, the Scottish clearers, the Trustee Savings Banks and the National Giro, offering terms similar to those worked out for the Co-op.

In a statement yesterday the Yorkshire Bank—itself owned by a number of London clearing banks but operating independently—said it had had access to the clearing house for over a hundred years through agency arrangements. At present, its clearing is handled through Williams and Glyn's Bank

This method, the bank argued, was entirely satisfactory, and an assurance had been given that it would be maintained unaffected by the decision. The Yorkshire Bank suggested that the cost of direct participation in the clearing would have been too high.

"It was considered also that membership of the clearing house would not enable Yorkshire Bank to improve its service to customers, and that it might, by increasing costs, be to their detriment."

The reasons the Scottish banks—Royal Bank of Scotland, the Bank of Scotland and the Clydesdale Bank—turned down the invitation are rather different. They already have their own clearing operation in Scotland, and participation directly in London clearing would have meant either duplicating much of their system or moving their whole clearing operation to London, with the possibility of delays in the movement of cheques.

The Co-op Bank is still anxious to join, and appears to have accepted the cost of the move. Further talks between the two sides are still going on, however, on detailed issues which include the arrangements proposed for agency business carried on by the banks for each other.

Both the Trustee Savings Banks and the Giro are believed to have shown some interoest in the proposition, though here the siutation is still in its very early stages.

The London clearing house members include the big four banks—Barclays, Lloyds, Midland and National Westminster—as well as Williams and Glyn's and Coutts, the NatWest subsidiary which is a member in its own right.

3p stamps lose a bar

Higher-value stamps for Scotland, Wales and Ulster will go on sale on January 23.

The new issues at 3½p, 5½p, and 8p that replace the present country definitives because of the changes in tariffs which came into force on September 10. The former 3p stamps will be re-issued simultaneously but with a single phosphor bar in place of the two bars carried previously.

Colours of the stamps—basically the same as the present definitives at the new tariffs—show only a slight variation on one value. In each case the 3½p stamp becomes solid, rather than shaded, grey-green. The 3p stamps are blue, the 5½p dark purple and the 8p red.

Deutsche-Atlantik sell 'Hanseatic' to Japanese

BY ANDREW HARGRAVE FRANKFURT, Dec. 3.

THE 25,000 gross ton luxury cruise ship Hanseatic, the remaining ship owned by Deutsche-Atlantik, of Hamburg, is being sold to the Japanese shipping company Ryutsu Kaiun, of Kobe, for a price understood to be around £11m.

The West German line's other ship was sold in the late summer after heavy losses. The eight years' old company, although not going into liquidation, will no longer be active in the tourist business.

The Hanseatic, formerly called Hamburg, was built in Hamburg only four years ago. It will, it is understood, be renamed for cruising in the Far East after some modifications to alter the present rather low passenger/crew ratio.

A management spokesman has expressed regret that the cruise liner about which prolonged negotiations had been conducted with the leading West German line Hapag Lloyd would pass into foreign hands. There had however been no alternative as the Hapag Lloyd offer was "too low."

He also disclosed that a further offer, of the same size as the Japanese but with certain reservations, had been received from a U.S.-Soviet concern.

The Hanseatic returned from its last, equatorial Africa, cruise on Saturday.

Shelve Tunnel plea to MPs

The Conservation Society yesterday called on MPs to shelve the Channel Tunnel Bill—due for Second Reading in the Commons to-morrow—in view of the fuel crisis.

"The tunnel is a scheme which, in view of the present energy situation and the certainty that fuel oil will never again be cheap and plentiful, would be foolish to pursue in its present form," the Society said.

Saleroom

Turner masterpiece sold to Australia for record £287,443

THOS. AGNEW AND SONS has sold a late masterpiece by Turner, the *Val d'Aosta*, to the National Gallery of Victoria, for £287,443, a record price for any picture by an English artist. The picture, painted c.1836-37, shows the valley of Aosta in north Italy surrounded by mountains and filled with swirling mists.

The picture was taken to Australia last March as part of an exhibition of Old Master and English paintings. At the end of the exhibition, the Trustees of the National Gallery of Victoria decided to raise a public subscription, with the co-operation of Agnew's who agreed to leave the picture with them for six months.

One-third of the purchase price was guaranteed by the Government of Victoria. Various foundations and individuals contributed large and small sums, and the Commonwealth of Australia itself made a large donation through the Council for the Arts. The National Art Collections Fund in London also agreed to contribute £10,000.

The success of the appeal was made certain finally by the contribution of $A150,000 from Associated Securities, the Australian finance company.

The Tate Gallery has asked for the loan of the picture for the major exhibition of Turner's work in London which is being organised for 1975. This has been agreed.

Chinese works

A sale of Chinese ceramics and works of art at Christie's yesterday realised £638,937. An underglazed copper red pear-shaped wine ewer was sold for 160,000 guineas to Mrs. Glatz. The ewer dates from the latter half of the 14th century. Mrs. Glatz also paid 80,000 guineas for another 14th century underglazed copper red piece, a pear-shaped bottle and 40,000 guineas for a 14th century Yuan blue and white slender pear-shaped vase.

Among the many high prices in the sale was 18,000 guineas by Eskenazi for an early Ming blue and white deep foliate dish of the Hsuan Te dynasty. A similar price was paid by Hugh Moss for a large early Ming blue and white circular deep dish of the same period. An arc[illegible] bronze, Hsia, dating from [illegible] Chou dynasty, sold for 10,[illegible] guineas to J. T. Tai.

An early Ming deep w[illegible] bowl sold for 10,000 guineas [illegible] Hugh Moss, while a pair of [illegible] green round saucer dishes of K'ang Hsi period sold for 6,[illegible] guineas to Bluett. Dou[illegible] Wright paid 5,200 guineas [illegible] a blue and white oblong h[illegible]gonal baluster vase.

A sale of Italian maiol[illegible] procelain and Continental [illegible]tery, also at Christie's, saw [illegible] new record price established [illegible] a piece of maiolica. Montar[illegible] paid 23,000 guineas for a Ur[illegible] Istoriato dish, dated 1534, painted in colours with the s[illegible] of Actaeon. A Casteldur[illegible] Istoriato dish, dated 1544, [illegible] to Howard-Sneyd for [illegible] guineas. A palermo jar of late 16th century went t[illegible] private Swiss buyer for [illegible] guineas. The sale tota[illegible] £59,179.

Icons

At Sotheby's, a sale of G[illegible] and Russian icons real[illegible] £79,186. A large 16th cen[illegible] central Russian icon of [illegible] Deisis was sold to the Te[illegible] Gallery for £10,000.

A sale of classical antiqu[illegible] realised £78,328. Symes obta[illegible] a South Arabian alaba[illegible] female figure, c. first cen[illegible] BC/first century AD, for £[illegible] and for the same price M[illegible] edison bought a Roman m[illegible] figure of Aprodite, c. 2nd [illegible]tury AD.

Also at Sotheby's, a sal[illegible] French paperweights, En[illegible] and Continental glass rea[illegible] £36,681. Spink gave £2,408 [illegible] a St. Louis blue solama[illegible] weight. Zietz bought a late [illegible] century engraved Nurem[illegible] goblet for £2,300.

A sale of 19th century [illegible] modern first editions rea[illegible] £14,088. A set of five pen [illegible] ink drawings by Beerbohm [illegible] *Hypocrite sanctifie*, went [illegible] Pickering and Chatto for [illegible] and Moulton gave the [illegible] amount for a copy of Pound's *A Quinzaine for Yule*, 1908.

A sale of prints at Phi[illegible] fetched £4,984. A Cezanne [illegible] sold for £440 to Weston. A [illegible] of furniture totalled £22,254, [illegible] of oil paintings £11,793.

World Value of the Pound

The table below gives the latest available rates of exchange for the pound against various currencies on December 3, 1973. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be selling rates only. In some cases market rates have been calculated from the market rates of foreign currencies to which they are tied.

Exchange in the U.K. and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Abbreviations: (S) member of the ste[illegible] area other than Scheduled Territory; [illegible] Scheduled Territory; (O) official rate; (F) [illegible] rate; (T) tourist rate; (n/c) non-comme[illegible] rate; (n.a.) not available; (A) approximate [illegible] no direct quotation available; (sg) selling [illegible] (bg) buying rate; (nom.) nominal; [illegible] exchange certificate rate; (P) based on dollar parities and going sterling-dollar [illegible] (BK.) Bankers' rate (Bas.) Basic rate.

Rates for some currencies are under [illegible] Rates marked * are not necessarily up to [illegible]

Place and Local Unit		Value of £ Sterling
Afars & Issas	Djibouti Franc	400(sg)
Afghan'tan	Afghani	140(A) n.a. (O) n.a. (T)
Albania	Lek	[illegible]
Algeria	Dinar	8.07(A)
Andorra	French Franc	10.58
	Spanish peseta	154.00
Angola	Ang. Escudo	[illegible]
Antigua (S)	E. Caribbean	4.60
[illegible]	[illegible]	[illegible]
Falkland Is. (S)	Falkland Is. £	1.0
Faroe Is.	Danish Krone	14.40
Fiji Is. (S)	Fiji $	[illegible]
Finland	Markka	8.90
Formosa	New Taiwan $	(P)88.8880
France	French Franc	[illegible]
Fr. C'ty in Afr	C.F.A. Franc	526½
Fr. Guiana	Local Franc	[illegible]
Fr. Pac. Is.	C.F.P. Franc (Y)	191.45
Gabon	C.F.A. Franc (Z)	526½
Gambia (S)	Dalasi	4
Germany (East)	Ostmark	[illegible]
Germany (West)	Deutschemark	6.14
Ghana (S)	Cedi	2.65
Gibraltar (K)	Gibraltar £	1.0
Gilbert & Ellice Is. (S)	Aust. Dollar	1.57005
Greece	Drachma	68.515
Greenland	Danish Kroner	14.40
[illegible]	[illegible]	[illegible]
New Hebrides	Franc	176.18
	Aust. Dollar	1.5780.5
N. Zealand (S)	N.Z. Dollar	1.6216
Nicaragua	Cordoba	16.47
Niger Rp.	C.F.A. Franc (Z)	526½
Nigeria (S)	Naira (1)	1.590609(sg.)
Norway	Nrwg Krone	15.10
Oman Sultanate of (S)	Rial Omani	0.810
Pakistan (S)	Pkst Rupee	22.95(sg)
Panama	Balboa	2.3405
Panama Canal Zone	U.S. $	2.34055
Papua N.G. (S)	Aust. Dollar	1.5700
Paraguay	Guarani	[illegible]
P'ple D. Rp. of Yemen (S)	S. Yemen Dinar	[illegible]
Peru	Sol	[illegible]
Philippines	Ph Peso	[illegible]
Pitcairn Is. (S)	£ Sterling / New Zealand $	[illegible]
Poland	Zloty	[illegible]
[illegible]	[illegible]	[illegible]
Vatican	Italian Lira	[illegible]
Venezuela	Bolivar	10.05
Vietnam (Nth)	Dong	[illegible]
Vietnam (Sth)	Piastre	[illegible]
V'gin Is. U.S.	U.S. Dollar	[illegible]
Western Samoa (S)	Samoan Tala	[illegible]
Yemen	Ryal	[illegible]
Yugoslavia	New Y. Dinar	[illegible]
Zaire Rp	Zaire	[illegible]
Zambia (S)	Kwacha	[illegible]

◆ That part of the French community in Africa formerly part of French West Africa or French Equatorial Africa.
✣ General Rate.
✣ The rate given is the commercial rate: financial rate 22.53.
◆◆ Rupees per pound. Tourists visiting Sri Lanka receive a premium of 65 per cent.
●● A decimal currency, the dollar, equal to 10 Rhodesian shillings was introduced by the independent regime on February 17, 1970. Latest reports suggest a rate of about 1.39 Rh dollars to £1.
✣✣ Approximate market rate.
✣✣ Rate given is the commercial rate: financial rate 10.97½.
◆ The Ouguiya has replaced the C.F.A. franc. The exchange was made at a rate of C.F.A. Frs.5 to one unit of the new currency.

(g) Commercial rate, financial rate 2.175.
(h) Rate given is the convertible: financial rate [illegible]
(n) Rate in general application, there is also a [illegible] official rate of 14.40
(r) Rate given is the commercial rate: financial rate [illegible]
(1) The Naira replaced the Nigerian pound at an exch[illegible] rate of two new units for one old on January 1.
(Y) Rate given is the commercial: financial rate [illegible]
(Z) Rate given is the commercial: financial rate [illegible]
(x) General rate: on and from exports [illegible]
(z) The Mongolian tugrik has lately been reported to [illegible] at an official commercial rate of 0.225 Russian rou[illegible] the North Vietnam dong at 0.300 roubles, and the [illegible] Korean won at 0.7493 roubles. With the pound star[illegible] at 1.60 roubles, the following relationships can [illegible] calculated for the pound: £1=7.11 tugriks; £1=[illegible] £1=2.14 won.

After 10 years of calling Silk Cut the mild cigarette, we think we owe you an explanation.

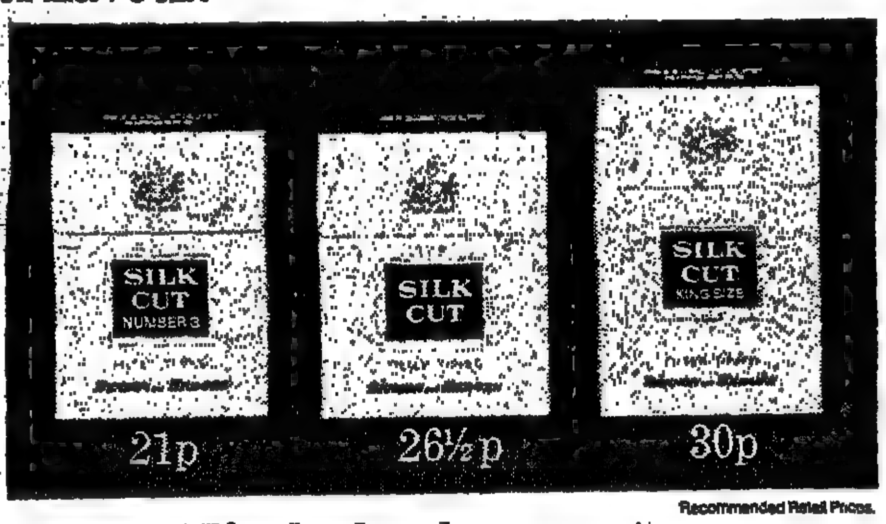
It's almost ten years since Silk Cut first appeared in the shops.

We were offering smokers a cigarette with a less obvious tobacco taste than was usual at the time.

So we dubbed it 'The Mild Cigarette.'

But since then, we've made several technical innovations to Silk Cut.

All aimed at increasing the mild effects of the cigarette, without any loss of flavour.



We've developed our range too.

After ten years, we think it's about time you knew about them.

The first thing we did was to take a long, hard look at our tobacco purchasing to find a blend that was both mild and full of flavour.

You see, there are dozens of types of tobacco plant.

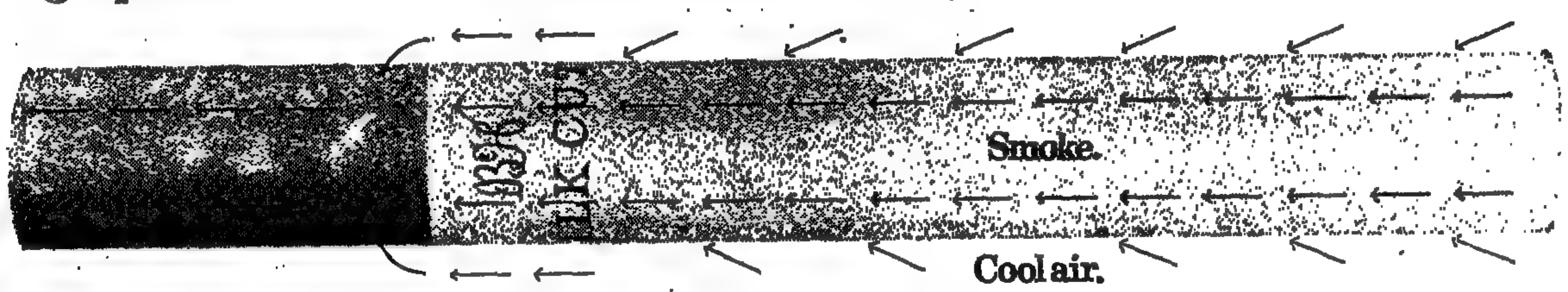
They all differ in character.

And, as with wines, there are good years and bad years.

There are even differences in the leaf between the top and the bottom of a single plant.

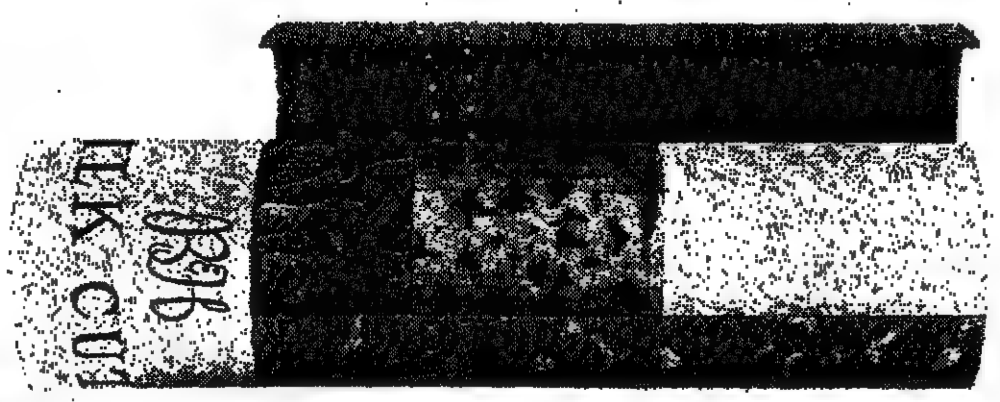
You see those tiny holes on the diagram below? On the cigarettes they are no bigger than pinpricks.

But as you smoke, cool air is drawn through them into the filter to mix with the smoke that has travelled the whole length of the cigarette.



The top leaves, which get the full force of the sun, produce a smoke with a rich taste. Those below, which are shaded, produce a much milder smoke.

As you can appreciate, choosing tobaccos with precisely the right characteristics, and achieving a correct blend of both flavour and mildness, is fundamental to Silk Cut.



The filter within a filter.

As is the filter.

And right from the beginning of Silk Cut's life, we included carbon granules in the filter.

They act as a filter within the filter to help keep the smoke smooth.

Later, we introduced air ventilation to the Silk Cut filter.

Then, in 1970, we looked at the cigarette itself and started using a specially developed high porosity cigarette paper.

The end result is a smoother smoke still.

It is these innovations, providing a unique balance between filter and tobacco, that allow us to produce a cigarette that is both mild and satisfying.

Naturally, we'll continue to improve Silk Cut in any way we can.

But next time, we'll try not to keep you waiting so long before you hear about it.

Silk Cut. The mild cigarette.

EVERY PACKET CARRIES A GOVERNMENT HEALTH WARNING

YARROW

& COMPANY LIMITED

AN ENCOURAGING YEAR

Extracts from Statement by Sir Eric Yarrow, M.B.E., D.L.

GENERAL

The Group as a whole has had a satisfactory year. The considerably increased profit has been brought about principally on account of the successful performance of Yarrow (Shipbuilders) together with the large increases in shipbuilding construction grants and investment income. It is estimated that subject to no unforeseen circumstances additional shipbuilding construction grants amounting to approximately £3 million will benefit future years. In keeping with our normal practice, profits are only taken into account when work has been completed or is nearing completion.

Exploratory discussions are taking place in regard to possible earlier repayment of all or part of the loans from the Shipbuilding Industry Board and the Ministry of Defence should the circumstances be commercially appropriate.

An interim dividend of 2.1% was paid on 29th June, 1973, and this together with the recommended final dividend of 4.9% makes a total dividend for the year of 7% which is equivalent to a gross rate of 10%. This is the maximum dividend permissible at present and has received the formal consent of the Treasury.

YARROW (SHIPBUILDERS) LIMITED

The shipbuilding order book stands at a value of about £100 million. The Company now employs a total of 4,600 and the management structure has been further strengthened and consolidated during the course of the year with considerable success.

The year has also seen a continuation of the policy of expenditure on new facilities and equipment. Work is in hand to improve the riverside fitting out berths so as to accommodate more ships and ships of greater draught and construction will commence shortly of a five-storey office block to accommodate our increasing technical staff. We are preparing other forward plans for further capital expenditure aimed at increasing the efficiency of our shipbuilding operations.

We welcome the statement by the Government that future warship orders will be concentrated on three specialist shipbuilders, one of which is Yarrow (Shipbuilders). The expertise and skills built up over many years for designing and building the sophisticated modern naval ship has kept the Company in the forefront of warshipbuilders anywhere in the world. However, the Company do not expect their entire capacity to be taken up in building ships for the Royal Navy and a vigorous export drive continues to operate. I have recently made a number of visits to overseas countries where there is a likely demand for naval ships and a number of other visits have taken place and are planned for directors and senior members of our staff. There are encouraging signs of a reasonable overseas demand for the type of ship in which the Company specialises but competition, from European countries in particular, is severe. Contract negotiations are complex and often lengthy and, in addition, sensitive political questions often arise. However, there is no doubt that considerable worldwide interest is being shown in the variety of designs of ships which the Company can now offer and a number of overseas Naval Staff representatives have recently visited the Company.

During the year under review the Yarrow Frigate built for the Royal Thai Navy was handed over after very successful sea trials and it was encouraging to receive a letter from the Commander-in-Chief of the Royal Thai Navy expressing both satisfaction with the ship and his pleasure at the friendships developed between Royal Thai Navy personnel and the staff of the Company throughout the contract. The last of the Leander Class Frigates for the Royal Navy, ARIADNE, was also handed over during the year and we were pleased to receive a most complimentary signal from the Ministry of Defence about this ship. The two Leander Class Frigates for Chile are progressing well and are in the later stages of fitting out. Regrettably, the five Type 21 Frigates on order from the Ministry of Defence are being delayed through lack of technical information. We consider that the delay is entirely outwith our control and the Ministry of Defence have indicated that the Company will be compensated for the delay and dislocation that will arise. The first of the two Support Ships for the Government of Iran has been launched and it is expected that both ships will be completed on or ahead of time in 1974. Design work for the Type 22 Frigate is progressing well and it is expected that the order for the first of this new class of frigate will be placed with the Company before the end of this year.

Y-ARD LIMITED

The year under review opened quietly but closed on a note of further expansion. As before, projects for the Ministry of Defence formed the major part of the workload but discussions are now being held with various industrial companies with a view to certain of Y-ARD's special skills being offered to them. One of the main areas in which expansion began to develop as the year progressed was that of management studies concerned with upkeep. During the year a number of reliability studies were undertaken for naval equipments and the writing of a manual on Reliability was put in hand. The technique of design audit was developed in an effort to improve reliability (as well as other characteristics) at the design stage. This technique is of application to a wide range of civil as well as service equipments and its use is expected to grow. Y-ARD continued to supervise refits of warships for friendly navies and further improved its ability to specify refit requirements systematically so as to minimise the cost of the refit to the owner. Y-ARD is also able to offer advice about refitting facilities and during the year representatives visited an overseas dockyard to advise on its updating both in the physical facilities and in management.

Another expanding activity is the Controls and Computing Group. There has been an increase in demand for control work generally and for both digital and hybrid computing. Some of the latter, involving developments in the man/machine interface, are of considerable long-term importance for both civil and military purposes. Particularly noticeable has been the increase in trials recording which Y-ARD has been asked to undertake involving the use of the hybrid computer for rapid analysis of the results and their presentation in an easily usable form. This demand will continue to grow.

After a period of underloading at the beginning of the year the Merchant Ship Group built up its workload steadily and a number of tasks were undertaken for merchant shipping companies. Part of the group was engaged in developing a new form of controlled circulation rudder which promises to improve greatly the manoeuvring power of ships of all types at low speed and may also provide a means of bringing very large ships to rest quickly should such a requirement increase in importance. The advice of the group is being increasingly sought by contractors directly involved in North Sea oil activities.

There were further delays on the part of the Australian Government in deciding whether to proceed with the proposed light destroyer and in consequence the Australian consultancy company Y-ARD (Australia) Pty. Ltd. was again lightly loaded during the year. Since the end of the financial year the Australian Government has decided not to proceed with the project and this has come as a great disappointment particularly as in 1968 the Company received every encouragement to establish the Australian consultancy. In consequence of the decision, our staff in Canberra is being reduced in size and in the circumstances there is little prospect of Y-ARD (Australia) Pty. Ltd. earning profits on the scale previously expected. An amount has been provided for expenditure on the re-establishment of Y-ARD staff who were seconded to the Australian company. A somewhat similar position, but on a much smaller scale, was reached by the consultancy company in South Africa, Yarrow (Africa) Maritime Consultancy, whose remaining staff are now seconded to a South African Government agency at a rate which yields only nominal profit. As a result of these developments overseas, the profit from Marine Consultancy and Research is less than for some years, but happily prospects look brighter for the current year and a return of profits to their former levels can be predicted with confidence.

YARROW ENGINEERS (GLASGOW) LIMITED

There has been little indication of an upsurge in land boiler orders and the consequent reduction in the workload understandably has placed a considerable overhead burden on existing contracts. This, together with extra costs which have been encountered in the boiler contract at Corby, has resulted in a small loss for the year. The company has a very good and proven design of waste heat boiler and every effort is being made to exploit this type of boiler both in the U.K and overseas but only at a price which would produce a profit.

Much work has been undertaken in collaboration with our lawyers in regard to preparing for the legal action with the Greater London Council in connection with the boiler plant at their Refuse Disposal Works at Edmonton. The final outcome of this complex matter is unlikely to be known for a considerable time.

FUTURE

It is extremely difficult to forecast the outcome of the current year with any degree of certainty but the present indications are that the results should compare favourably with those for the year to 30th June, 1973.

The Company is well poised to expand its activities. A number of wide-ranging possibilities are at present under active review both in connection with North Sea oil and also in other areas where our specialist knowledge and experience are a most valuable asset.

The successful financial year which we have completed has been achieved by the considerable efforts of those associated with the Company and to them all I extend my grateful thanks.

Centre 'profitable by 1981'

BY PETER CARTWRIGHT

AFTER A two-hour appraisal of the rising costs of building the National Exhibition Centre near Birmingham Airport—up 14 per cent. to £20m.—city council-appointed directors yesterday expressed confidence that it would begin to make a profit in 1981, despite inflation.

The centre, a joint project by Birmingham Chamber of Commerce and the corporation, has had a £1.5m. grant from the Government. The remainder is being raised by long-term loans.

An early estimate of £11m. was revised to £17.5m. when final plans were announced. Together with private developments including hotel, warehousing and other facilities, the total cost is now estimated at more than £40m.

With two years to go before opening, in January 1976, the centre has already attracted a number of important exhibitions, including machine tools and furniture, with a possibility of the Boat Show also being staged there.

Mr. Stan Yapp, city council leader and a director of NEC, said that in spite of inflation he was "very optimistic" that the project would break even, and indeed make a profit well before the end of 1981. Bookings for the first two years looked extremely good.

Mr. Yapp pointed out ancillary benefits through the provision of extra jobs and business. "Based on the latest appraisal I am encouraged that Birmingham ratepayers will see justification for this expenditure in purely commercial terms," he said.

Further voltage cuts likely to-day

BY CHRISTOPHER LORENZ

ELECTRICITY consumers throughout the country are likely to experience voltage reductions again to-day, the Central Electricity Generating Board warned last night. Reductions began at lunchtime yesterday and continued into the evening.

As exclusively reported in yesterday's Financial Times, it has now emerged that the reductions are due not only to the engineers' ban on out-of-hours work — which is cutting generating capacity by up to 3,000 MW—but also to the CEGB's decision to conserve oil supplies by restricting the output of certain oil-fired power stations.

Confirming this yesterday, the Board said it meant some oil-fired plant was being run up towards full capacity only if this was necessary to avoid power cuts.

This practice explains why the Board has managed so often during the past week to go right to the brink with 6 per cent. voltage reductions—the final stage before disconnections—without actually having to order power cuts. It may also explain why the CEGB is continuing to warn that voltage reductions may be necessary in spite of the warmer weather, since a thaw usually reduces demand for electricity.

The policy of reducing voltage could also go some way towards preserving the CEGB's depleted coal stocks, if it were applied to the largest coal-fired stations, but while the engineers' action lasts and the oil shortage continues the Board will have little scope for running major coal stations much below full output during the day.

Voltage reductions have a minimal effect on most equipment at their initial level of 3 per cent., and even at the ultimate stage of 6 per cent. the effects are limited, except on sensitive electronic equipment and some electric motors.

The CEGB's preservationist policy is being dictated by a combination of factors, including a shortfall of oil at certain stations and the extraordinarily heavy consumption of fuel during last week's cold weather.

It is understood that some inland power stations are now receiving train deliveries of oil once a week at the most, rather than the normal pattern of once a day. Some plants, especially the distillate-burning gas turbine units, are suffering delivery cutbacks of more than 20 per cent. compared with last year. After last week's heavy burn this has had an extremely serious effect on stocks.

The situation will ease once the oil industry sorts out its delivery patterns, electricity industry officials said yesterday.

Manpower code for textile companies

BY KEN GOFTON

DETAILS OF a code of practice governing changes in manpower, which textile companies will have to observe if they wish to benefit from the Government's £15m. aid scheme for the wool industry, were announced yesterday.

Its three main aims are to secure the fullest co-operation from employees in any changes which occur, to facilitate retraining and redeployment within a company, or between companies, and to minimise and alleviate redundancy.

The industry has a labour force of about 78,000.

The Government scheme was announced in July. A total of up to £15m. will be made available over the next four years, to provide grants of 15-20 per cent. towards the cost of new buildings and machinery. It is hoped that this incentive will double the rate of investment in the industry.

In addition, there will be cash assistance for companies which see no future for themselves, and wish to wind up.

It was made clear at the time of the July announcement that companies benefiting from the scheme would have to abide by a code of practice on personnel matters, because of the redeployment of labour expected to follow from increased investment.

The main provisions of the code, agreed by the employers and trades unions under the auspices of the Wool Textile Economic Development Committee are:—

- Applicant companies must provide details of the numbers of jobs created or lost, vacancies and skills required, details of employees made redundant, and the timing of labour surpluses or shortages. Before aid for an investment project is finally agreed, a company will have to confirm that it has begun consultations with the trades unions and employees.
- Where a worker is transferred within a company from one job to another, his pay during the first month (which will then be reviewed) will be the higher of either his actual earnings in his new occupation, or his average earnings of the previous eight weeks, excluding overtime.
- There is a "strong recommendation" to exceed the minimum payments due under the Redundancy Payments Act, particularly where older workers and those with long service are involved.
- All efforts will be made to avoid redundancies, but where they are inevitable there will be full consultations "designed to achieve co-operation in facilitating a properly phased run-down." There will be no discrimination in the treatment of employees on grounds of race or religion.

Seaforth wins £1.25m. contract to service North Sea oil rigs

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

SEAFORTH MARITIME, the Scottish oil rig service based on Aberdeen, has been awarded a second major contract worth £1.25m. for the use of its supply vessels. It has been placed by the Conoco-Gulf-National Coal Board consortium operating in the North Sea.

The two-year charter, which begins this month, is for two Seaforth vessels. Between now and June Conoco will use two ships, but the charter will be completed with two more powerful Seaforth vessels now under construction.

The latest contract follows last month's announcement of a five-year charter worth £5m. for two Seaforth vessels operating for BP. Both Conoco and BP will operate ships out of their bases in Dundee.

The agreement also means that within 18 months of Seaforth's creation, the company has now chartered its entire £8m. fleet of eight supply vessels. It is now considering building a further four vessels of different design.

The company said yesterday that it was negotiating with Scottish, English and Continental shipbuilders about the next phase of its construction programme. All its vessels so far have been built in English yards.

Seaforth's chief executive Mr. James Hann said "at such an early stage of our development and when we know that some supply vessels are not working because of late delivery of oil rigs, it gives us heart when one of our most urgent problems is a shortage of vessels."

Estate agents as limited companies plan

BY PETER RIDDELL, PROPERTY CORRESPONDENT

A PROPOSAL to allow some of Britain's leading firms of estate agents to become limited liability companies under certain conditions is one of the main items in a consultative document which the Royal Institution of Chartered Surveyors is sending to its members in the next few days.

As reported in the Financial Times earlier this year, a lengthy debate has been going on in the RICS on the subject of limited liability. There has been considerable pressure from certain large City and West End estate agents to change the rules since they believe the partnership format is not suitable for the large international businesses some of them have now become.

A range of other interests within the RICS such as the quantity surveyors, those working for public bodies and smaller firms have, however, been taken into account in the discussions.

The publication of the consultative document follows the preparation of a report by a special working party under Mr. G. D. Walford, a past-president of the RICS. It will now be discussed by the various branches and divisional councils before a decision is reached.

BBC to screen seven days of Christmas programmes

BBC TV is to screen seven days of Christmas programmes this year—more than ever before. Included are many of the BBC's most popular entertainers such as Morecambe and Wise, who have a Christmas night show with Vanessa Redgrave, Cilla Black and Hannah Gordon as guests.

On Christmas Eve there is a special 45-minute episode of Steptoe and Son.

Music includes Frank Sinatra's return to show-business — Ol' Blue Eyes is Back. Others with their own shows are Vera Lynn, Perry Como, Sonny and Cher, and the Black and White Minstrels.

Feature films for the holiday are: How the West was Won, on December 23, the Taylor-Burton epic Cleopatra and Charlie Chaplin's Modern Times —given its world television premier on BBC-1

Other films include The Happiest Millionaire with Tommy Steele, Casino Royale with David Niven as James Bond, The Odd Couple with Jack Lemmon and Walter Matthau, and Far From the Madding Crowd with Julie Christie and Alan Bates.

For opera and ballet enthusiasts there are new BBC productions of Verdi's La Traviata and Gilbert and Sullivan's The Mikado, a filmed performance of Margot Fonteyn and Rudolf Nureyev in Swan Lake and a Christmas night Gala Performance.

Other programmes of Christmas music include the Prime Minister conducting the Robert Mayer concert, a performance by the Salt Lake City Mormon Tabernacle Choir, and carols from Chetham's and King's College Choir.

Baltic Exchange plans new complex

By Peter Riddell, Property Correspondent

AN OUTLINE planning applic[ation] has been made by the Balt[ic] Exchange for a massive ne[w] shipping exchange complex costing a possible £50m. on a 4[…] acre site in Cutler Street, on th[e] north-eastern side of the City [of] London near Bishopsgate.

The suggested developme[nt] would provide a total of 779,0[00] square feet of space, includin[g] 613,000 square feet of offices, f[or] which an Office Developme[nt] Permit has been obtained. Th[e] balance would consist of a ne[w] Baltic Hall, conference spac[e,] some committee rooms, flats a[nd] neighbourhood shops—all the[se] facilities being for Baltic mem[bers].

The Cutler Street site [is] currently used by the Port [of] London Authority for wareho[us]ing but a year ago the freeho[ld] was bought from the PLA [by] English and Continental Inves[t]ments, the development grou[p] run by Mr. Jack Walker and M[r.] Ramon Greene.

Mr. Greene said last night h[is] group had been working close[ly] with the Baltic but nothing de[fi]nite had been decided.

However, if the planning app[li]cation was successful he hop[ed] that a deal could be agree[d] possibly involving the outrig[ht] sale of the site rather than [a] leasing agreement. Mr. Gree[ne] said that E and C did not wa[nt] to stand in the Baltic's way a[nd] he emphasised the need to ke[ep] the exchange's business a[nd] activities within the City.

It has been known for som[e] time that the Baltic was looki[ng] for a new, larger exchange com[]plex and at one stage it w[as] involved in talks with the Briti[sh] Rail Property Board about th[e] possibility of renting a lar[ge] slice of its proposed redevelo[p]ment at Broad Street and Live[r]pool Street stations.

There are now likely to [be] lengthy and detailed discussio[ns] with the City Corporation ov[er] the exact form of the scheme a[nd] the proposed density. There a[re] also certain listed wareho[use] buildings on the site at prese[nt]. The application has been su[b]mitted by Richard Seifert a[nd] Partners, the Baltic's architect[s].

A spokesman for the Balt[ic] emphasised last night that th[e] scheme was a non-speculati[ve] and non-profit making operati[on] providing much needed spa[ce] for members of the Baltic [at] moderate rents.

West End office let for £100,000

By Our Property Corresponde[nt]

GREAT PORTLAND Estates, t[he] development group run by M[r.] Basil Samuel, has let its ne[w] office building at 9-10 Albema[rle] Street, in the West End of Lo[n]don, to Arthur Guinness, S[on] and Co.

The building provides a to[tal] net floor area of some 10,0[00] square feet, and has been l[et] at a rent of £100,000 a year.

Great Portland's developme[nt] was designed by Collins Melv[in] Ward and Partners. Hill[ier] Parker May and Rowden was th[e] letting agent, while Blake a[nd] Co. acted for Arthur Guinne[ss].

Jersey's new plans for leisure centre

FINANCIAL TIMES REPORTER

[N]EW PROPOSALS are to be put [f]orward early next year for con[t]inuing the development of [J]ersey's Fort Regent leisure [c]entre project, where progress [h]as been held up for several [m]onths by a decision of the [Is]land Parliament to reappraise [th]e whole scheme.

Recently the Jersey Chamber [o]f Commerce criticised the "long [del]ay" over pushing ahead with [th]e project and warned that every month which passes [m]eans increased costs and [d]iminishing prospects of com[p]letion."

The centre, which is being [b]uilt in an early 19th-century [fo]rt overlooking St. Helier, has [al]ready cost over £1½m. and was [ex]pected eventually to reach [£]4m.-£5m. The profits of Jersey's [lo]ttery are going into the [s]cheme.

Although an indoor swimming [po]ol, solarium and other ameni[ti]es are in use, the main part [o]f the project—conversion of the [p]arade-ground area—has been [b]rought to a standstill.

The three-acre parade ground has been roofed in but no decision has yet been taken on what to put under it. Local MPs "froze" a £1m. vote to construct a rotunda with conference hall under the 70-foot-high central dome of the roof.

Bookings for conferences at Fort Regent were originally accepted for 1975, but it now seems unlikely that the conference hall—if it is still decided to build it—will be ready before 1977 at the earliest.

After a stormy debate in the island Parliament a year ago, a new political committee took over control of the Fort Regent complex and last April commissioned a report from a U.K. firm of consultants, Perrin Associates.

This report was submitted at the end of October, and the new Fort Regent development committee will now go back to Parliament with its ideas on how the complex should be completed.

WINES

Fine bottles for oneself

BY EDMUND PENNING-ROWSELL

SEARCHING for a few special bottles for pre-Christmas purchase becomes harder each year, and particularly this time. Indeed if one compares this season's lists with last year's, the heavy raid on merchants' stocks during the twelve months can be readily appreciated; also the heavy price increases, amplified by VAT.

The emptying of merchants' vintage bins has been occasioned by inflation fears, increased by the excessively high prices of the finer French 1972s, particularly in Bordeaux, and by the overall shortage of stocks. Then last winter's rush for the more expensive vintage wines was continued here in Britain until the introduction of VAT in April, when a damper was placed at least on the domestic consumer trade and, more gradually, on auction room prices.

Sharp rise

The *sharp rise in saleroom* prices has been a factor in the protective increases on *merchants' lists*. Until recently it was often possible to buy fine wines from merchants at lower prices than those at Christie's and Sotheby's; now that auction prices have slipped somewhat, the reverse is true—but not for vintage port, still rising at auction.

What is also clear is that the gap between ordinary-to-good table wines, including lesser vintage wines, and superior single-estate growths has widened considerably.

The task of making recommendations has been made more difficult this time by the growing habit of firms not listing or not pricing their more coveted items, particularly leading clarets and vintage ports. For example, Adnams of Southwold have a tempting list of ten '61 clarets, but "prices on application." (They range from about £4.50 to £13 a bottle.) This applies also to the vintage port lists of Lay and Wheeler of Colchester and Paten of Peterborough, extending back to 1955 and 1935 respectively. Harveys of Bristol do not list a single château-bottled claret or French-bottled burgundy. This reticence, understandable on the score of small stocks and shifting prices, nevertheless does not ease selection.

Nor does the varying practice on VAT. Such firms as the Army and Navy Stores, Harveys of Bristol, Hicks and Don of Elmham, Norfolk, Henry Townsend of Amersham, and Youdell of Kendal all quote an all-in price, which is convenient to the customer. If firms of such varying sizes can do so, presumably others could, too.

In each case below I have given the overall price, whether listed as inclusive or exclusive of VAT. All the Bordeaux are château-bottled, all the Burgundies domain or French bottled, unless otherwise stated, and the German wines all estate-bottled.

Claret. Like the police, claret is getting younger, and it is very difficult to find vintages of the later fifties or early sixties. However Berry Bros. and Rudd, S.W.1, offer a magnum of Talbot '59 at £14.30. Then the still-excellent Latour '60 is listed by Paten, Peterborough (@ £6.60). Another magnum is the fine Gruaud-Larose '61 from Youdell of Kendal (£15), while Joules of Stone have the same wine in bottles at £6.60.

Tanners of Shrewsbury list another distinguished '61, Brane Cantenac, at £9.13. Among the diminishing number of '62s still *à point* is the delicious Palmer, to be had from Townsend of Amersham (£7.65). Among the variable '64s the following may be picked out: La Mission-Haut-Brion (Hatch, Mansfield, E.C.1—£7.81); Talbot (Russell and McIver, E.C.3—£3.89); and La Pointe (Army and Navy Stores, S.W.1—£2.88). Finally the '67s are more forward than the '66s, and one of the best is Léoville-Barton (Corney and Barrow, E.C.2—£5.50).

Short supply

White Bordeaux. Distinguished dry white Graves are few, and the poor mid-sixties vintages have put mature Sauternes in short supply. Among the former is Domaine de Chevalier '64 (Berry Bros. and Rudd—£2.75), and the two most likely sweet wines are Coutet '61 (Joules of Stone—£3.30) and Suduiraut '67 (Simon the Cellarer, S.E.1—£3.25).

Red Burgundy. Although we keep burgundy longer than in America — 19 out of every 20 bottles shipped there from Burgundy are less than two years old—we are certainly drinking them younger than we did: so old red burgundies are even rarer than mature clarets. Even Averys of Bristol, celebrated for their burgundies, list few older than '66, but they have a fine Latricières Chambertin '61 at £7.43; and a promising '66 is the Hospices de Beaune Pommard Dames de la Charité, at £6.18, inexpensive compared with Hospices auction prices in the last year or so. Berry Bros also have a '66 Hospices — Beaune Guigone de Salins — reasonably priced at £3.30. English-bottled Justerini and Brooks, S.W.1, have Chambertin Clos de Bèze '66 from the esteemed Claire Daü estate (£9.46), but this like the Louis Latour Chambertin Cuvée des Heritiers '69 (Youdell, Kendall—£5.25) deserves keeping.

White Burgundy. The plentiful '70 vintage produced some excellent white burgundies. Two of distinction are Bâtard Montrachet (Delagrange) from Dolomore, W.2 (£5.11) and Puligny Montrachet Combettes (Jacques Prieur) from Thomas Baty, Liverpool (£2.42). However, the '71s are finer and three likely examples include two Corton Charlemagnes. The first comes from Louis Jadot (Hatch, Mansfield, E.C.1—£4.66), the other from Remoissenet, the Beaune agents of Nicolas of Paris (Averys of Bristol—£6.12). Then Townsends of Amersham have a Louis Latour Meursault Genevrières (£3.70).

German Wines. The year to buy but not necessarily to drink too soon is 1971, and Loebs, W1, have an unrivalled list. At a recent tasting I picked out two Moselles, Kaseler Nies'chen Spätlese (£2.87) and Wehlener Sonnenuhr Auslese (J. J. Prüm) at £4.69. Hicks and Don, Elmham, Norfolk, list an attractive Dom Avelsbacher Altenberg Kabinett (£2.11), while Townsend, Amersham, offer a relatively inexpensive Ayler Herrenberg Auslese at £2.51. Among the hocks Loeb's Ruppertsberger Hoheburg Spätlese (Bürklin-Wolf—£2.87) and the fine Nahe Münsterer Dautenflänzer Auslese (State Domaine—£5.11) are both very distinguished in their way.

Vintage Port. As already mentioned few mature ports are listed, so a tete-à-tete with your wine merchant may be the best advice. Otherwise Berry Bros. offer Sandeman '60 (£3.85) and Justerini & Brooks list Taylor's Vargellas '61 (£3.52). But the Army & Navy's Very Old Tawny, landed 1949 and bottled this year, might be a very good alternative (£2.86).

[A]PPOINTMENTS

Board post at International Computers

[M]r. John W. H. Miller has been [ap]pointed to the Board of [INT]ERNATIONAL COMPUTERS [as] finance director. He has been [em]ployed by IBM since 1939 [lat]terly as treasurer of IBM U.K.

★

[M]r. Ronald R. Herbert has been [ap]pointed joint managing director [of] SIR FREDERICK SNOW [(I]NTERNATIONAL) with Mr. J. [Pe]ter Rodger.

★

[M]r. Paul Burns has joined the [Bo]ard of TRUST HOUSES FORTE [H]OTELS as sales director.

★

Sir Reginald Swartz has been [ap]pointed a director of BH [SO]UTH.

★

Mr. K. W. Lewis has been [ap]pointed commercial director for [th]e Europe and the Middle East [reg]ion of the PLESSEY COM[P]ANY.

★

Mr. Erich W. L. Stromeyer is [jo]ining EUROPEAN BANKING [C]OMPANY as an assistant [di]rector in the New Year.

★

Mr. Wilfred Lynn has retired [fro]m the Outer London Regional [B]oard of NATIONAL WEST[MI]NSTER BANK.

★

[M]r. John Muirden has been [ap]pointed a director of BRITISH [AN]D INTERNATIONAL INVEST[ME]NT TRUST. He is a senior [exe]cutive at British Bank of Com[me]rce, the Scottish merchant [ba]nk which plans to bring BRINT [to] the Stock Market within the [ne]xt few months.

★

Mr. W. S. Carver has been [ap]pointed director and general [ma]nager of ENVIRONMENTAL [SU]PPLIES.

★

Mr. James Hamilton has been [ap]pointed an associate director of [BR]ITISH BANK OF COMMERCE. [He] continues as managing direc[tor] of the bank's industrial hire [pu]rchase and leasing subsidiaries.

★

Mr. Lyn Morris has been [ap]pointed to the Board of SUPER-EXIT.

★

[M]r. Anthony Z Landi, has been [ap]pointed chairman of GLORIA [VAND]IS (LONDON).

★

[M]r. Edward Fitzsimons has been [ap]pointed to the Board of RUST [CR]AFT GREETING CARDS (U.K.) [as] sales director.

★

[M]r. Charles Jackson, at present [ma]naging director of BOWMAKER [(PL]ANT), has been appointed [chi]ef executive, with overall res[pon]sibility for the company's [ope]rations. Mr. Barry Smith [bec]omes managing director with [res]ponsibility for the sale and [ser]vice of earthmoving equipment [and] engines.

[M]r. Derek Leeks becomes sales [dir]ector (earthmoving and engine [div]ision) succeeding Mr. Smith.

while Mr. Bert Morton is now director responsible for lift truck operations. Mr. Morton's appointment was from November 14. The other appointments take effect from January 1.

★

Mr. Peter Hodson, a director of Yorkshire Vehicles, and Eagle Engineering Company, has been appointed to the Board of DENNIS MOTORS, as group marketing director. Yorkshire Vehicles, Eagle Engineering and Dennis Motors comprise the Envec Group.

★

Mr. Stanley G. R. Nice, deputy managing director of BLOX SERVICES, part of the Associated Newspapers' Group, has been appointed managing director.

★

Mr. Ian B. Smith, associated with the firm of Bell Lawrie Robertson and Co., has been admitted as a member of the Stock Exchange (Scottish).

Mr. Keith F. Tulloch, a partner with the firm of S. M. Penney and Mackgeorge has been admitted as a member of the Stock Exchange (Scottish).

★

Mr. G. B. Swift, general sales manager of HEPWORTH IRON COMPANY (Hepworth Ceramic Holdings), has been appointed sales director. Dr. J. M. Woodfine has joined the Board as research director, and Mr. J. R. Glover becomes director with special responsibility for product development. Mr. J. D. Eastwood has been appointed to the Hepworth Board and as managing director of a subsidiary company, Ellistown Pipes.

Mr. P. Race has been appointed managing director of the NORTH WESTERN CERAMIC PIPE COMPANY, a subsidiary of Hepworth Iron Company, and Mr. G. B. Swift has joined the Board. Mr. W. A. P. Wild has been made managing director of JAMES OAKES AND COMPANY (RIDDINGS), and Mr. R. Banks, general manager, has joined the Board. Mr. H. Ashworth has been appointed managing director of HEPWORTH ELECTRICAL DEVELOPMENTS. Mr. P. Brett has joined the Board as commercial director.

★

Colonel W. Adkins, the Countess of Dartmouth, Mr. Michael Dower, Mr. Derek Gladwin, the Earl of Lonsdale and Mr. Peter J. Prior have been appointed members of the ENGLISH TOURIST BOARD on a part-time basis until September next year.

★

Dr. Robert Bruce has been appointed an independent member of the Central Council for AGRICULTURAL AND HORTICULTURAL CO-OPERATION for a term of three years. Dr. Bruce will replace Mr. J. T. A. P. Addington, whose term of office expired on July 31.

★

Mr. D. H. Conron and Mr. R. H. Nicholls have been appointed joint managing directors of GREENBANK PRESTON. Mr. D. Young has become a director of GEOFFREY HUGHES. Both concerns are subsidiaries of S. and U. Stores.

★

Mr. F. M. Gilbertson is to retire from the Board of GILLETT BROTHERS DISCOUNT COMPANY on January 1 because of ill health. At the same time Mr. C. J. B. Chalkley retires from the Board at the age of 60 but will continue as consultant.

★

Dr. F. W. Gifford, Mr. W. C. T. Pennant and Mr. E. W. Richardson have been appointed directors of CONCRETE.

Hull fish dock industry plan

THE BRITISH Transport Docks Board is applying for Parliamentary powers to abandon and fill in St. Andrew's Fish Dock at Hull. The area would become available for industrial development.

The trawler industry has agreed to move its fishing fleet base to the adjacent Albert and William Wright Dock, where the Docks Board is spending £750,000 on building a new fish market as part of a port modernisation programme. The dock was closed to commercial traffic some time ago.

Wholesale fish merchants will be given offices and working areas in existing cargo sheds at the Albert and William Wright Dock. Trawler owners and major fish distributors will build new offices, the first applications for which have been submitted already.

APPOINTMENTS

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APPOINTMENTS ALSO APPEAR TO-DAY ON PAGE 28

The Executive's World

EDITED BY JOHN TRAFFORD

How the Dutch adjust for inflation

BY MICHAEL LAFFERTY

THE traditional attitude of British accountants to the problem of inflation may be likened to that of politicians who delude themselves with the thought that somehow the economy will eventually come right, no doubt with the help of a new Keynes. Not knowing how to treat the disease, let alone prevent its occurrence, they chose to ignore it completely. The sad and simple fact is that accountants will not admit that they invariably lack the training and ability to carry out much more than the practical, often mundane, procedures which have come to characterise their public image.

Contemporary accountants practise their barren art in isolation and frequently pay scant attention to developments in other fields of knowledge—developments which, unlike conventional accounting, often have sound theoretical foundations. The gap between accounting and economics may well be large, but it must be bridged if we are to develop a practical, up-to-date accounting philosophy.

Regular revaluations of fixed assets, like the circular knitting machines seen above, is a feature of many company's accounts in the Netherlands.

Valuation

The Dutch believe that they have discovered such a system, within which replacement values are considered to be an essential and logical means of economic valuation. The basis of the Dutch approach lies within the principles of business economics and the primary objective is to reflect the economic significance of events from the firm's point of view. The use of replacement values is regarded as the best means to achieve this result.

Dutch financial reporting legislation is non-prescriptive and simply requires that the "bases underlying the valuation of the assets and liabilities and the determination of the result comply with standards that are regarded as being acceptable in economic and social life." On the invitation of the government, a joint study group with representatives from employers, unions and the profession was recently set up to define "acceptable standards."

In its second report the study group rejects the historical cost basis of valuation on the grounds that it "presents too many defects." Accordingly, if replacement value accounting is not used, additional information is necessary. This includes revaluations on the basis of current values and the provision of additional depreciation. If this view is enforced, it seems obvious that companies will choose the more enlightened path.

Although replacement value accounting has been employed by Philips since the 1930s there are still many Dutch companies which ignore changing prices in their accounts and others which believe that it is sufficient to provide additional depreciation based on replacement values. In a survey carried out before the 1971 Annual Accounts of Enterprises Act came into force, the Economic Institute of the Free University, Amsterdam, examined the accounts of all industrial and trading companies quoted on the Amsterdam stock exchange for the application of replacement values to fixed assets. The table shows that although half of the companies examined recognised the effect of changing prices, only 15 per cent. used replacement value accounting. Adherence to historical cost accounting is still very strong although it tends to drop as the size of the company increases. On the other hand replacement value accounting is by far the most popular method with larger companies having net fixed assets of greater than Fl.25m.

Replacement value accounting involves the revaluation of, usually, fixed assets and inventories at current prices thereby ensuring that current costs are matched with current revenues in the determination of income. It facilitates the continuity of the firm by providing for the maintenance of capital in actual as opposed to nominal terms. It is only when continuity is no longer the intention that replacement values are no longer relevant.

ACCOUNTING PATTERNS IN THE NETHERLANDS

Net fixed assets Fl.m.	Evaluation method I	II	III	IV	Total no. of cos.	Total (%)
0-10	100	27	21	8	156	60.2
10-25	16	10	9	8	43	16.6
25-75	12	10	7	11	37	14.3
above 75	3	3	5	12	23	8.9
	131	47	42	39	259	100.0

I : Historic cost and depreciation.

II: Historic cost but depreciation above historic cost.

III: Fixed assets at historic cost with depreciation on same basis subtracted; as a charge to income. however, extra depreciation calculated. This extra depreciation credited to an account belonging to equity capital.

IV: Fixed assets at replacement value and depreciation on same basis.

Source: Abacus

Continuity

Academic objections centre around the continuity question and the fact that assets are not necessarily replaced by identical assets. To counter this it may be said that the firm has a certain social responsibility to continue and although it may change some of its activities the main consideration is the maintenance of the source of income. An objection advanced by a member of the Council of the Institute of Chartered Accountants who is also a member of the Accounting Standards Steering Committee is rather less impressive. He says replacement value accounting will provide "greater scope for overstating profits"—surely a slight on the objectivity of the accountancy profession in a country with long tradition of independent auditing.

In a world which is extremely reluctant to move from strict historical cost accounting there are few incentives for leading quoted companies to apply replacement prices. To do so is to publish supposedly lower profits and this tends to depress share prices. Consequently there is a strong temptation to water down the theory. The 1971 accounts of Philips are an interesting example of this: stock losses of a technological nature and the additional tax resulting from replacement value accounting were not charged to profit as previously but to the revaluation account. The net result was an increase in earnings per share of 30 per cent. The case of AKZO is also revealing on this point and its 1973 interim report states that in future additional depreciation will be treated as an appropriation of profit rather than as an "above the line" charge.

Although many informed accountants in this country appear to accept the superiority of replacement value accounting there is strong support for the current purchasing power (CPP) proposals of the ASSC as being a step in the right direction. The ASSC was undoubtedly influenced by traditional accounting conservatism and the widely held view that the U.K. is not yet ready to accept the responsibility of replacement values. Many critics of CPP accounts—whether or not they agree with the man from Philips who spoke of them as "irrelevant historical data adjusted by an irrelevant conversion factor" — consider them little more than debased historical cost accounts.

Matchmaker for the small firm

BY PAMELA READHEAD, RECENTLY IN BRUSSELS

SMALL companies throughout Europe are eager to get together, to judge by the initial success of the European Business Co-operation Center in Brussels. In its first six month the Center has had applications from nearly 600 companies in search of European partners for joint ventures, mergers and takeovers.

The "marriage bureau" as the centre is misnamed by Eurocrats is more like a syndication service for those offers of marriage which appear in such diverse publications as "Le Chasseur Francais" and the New Statesman.

"We are not hunters," said Madame Longe, one of the three senior staff of the Center. "We can put people in touch but we can't make recommendations or guarantees."

It works like this. A small company in one of the Nine reads one of the Center's advertisements and sends for an "application for help." This requires details of his turnover, markets, plans and the sort of partner he is seeking.

The application is then processed in Brussels and distributed to trade association bulletins, newsletters and magazines throughout Europe. At this stage it is unonymous.

If any interest is shown, the Center will if requested forward more details to both parties, but this is where its role ends. So far the Germans with 212 and the British with 109 requests have been the most adventurous; Luxembourg with one and Denmark with 11 are the least. The French, after a slow start, are catching up with 72, one more than Italy. The construction industry sends the most requests.

What we do not know is how many partners, if any are working in harmony.

"We are not yet at maturity; it is too soon to expect results," says Madame Longe. The process, she says, could be speeded up if more people filled in their forms accurately the first time. It is not unknown for a company to send out a request for a partner of "any size" speaking "any language" and based "anywhere," and hold-ups of a month can occur while more information is gleaned. To help straighten this out, the rather vague application forms are being redrafted to obtain more precise information.

Foothold

Most of the applications received are for marketing partners, for exchanging distribution networks, reciprocal promotion and so on. Other categories include joint buying, joint research and production under licence. The average company in search of a partner employs between 200 and 400 people, though the range is from ten to over 1,000.

Some large companies apply to the Center because they want to buy a foothold in another country; other small ones because they want to sell. But the more general request is from companies wishing to invest in the equity of their European counterparts. But in none of these circumstances can the Center give so much as an opinion. "We are not competitive with consultants," says Madame Longe.

At present both Madame Longe and the Center's director, Roger Peeters, spend much of their time building up contacts with local small business groups, trade federations and Chambers of Commerce.

It is possible that as the Center grows, some of the processing of applications could be handled by such local contacts. This would avoid the ever-growing bottleneck of paperwork which is already slowing down the Brussels office.

More details from the Business Co-operation Center, 17 rue Archimede, Brussels.

The controls on top U.S. salaries

BY A U.S. CORRESPONDENT

BY SOME complicated rules-changing, the U.S. Government's Cost of Living Council has strengthened controls on executive salaries as part of its anti-inflation programme.

Under past rules, executive payroll costs could be increased only 5.5 per cent. a year. This meant that the salary of the president and directors could be increased by more than 5.5 per cent., while lower-echelon management got smaller (or no) rises at all.

The new rules set up a new and much smaller classification—only the officers and working directors of the company. This group is subject to the same percentage limit, but there is less opportunity to hold down lower-rank salaries in order to raise the top people more than the 5.5 per cent.

Under the old rules, a company might have officers and directors paid a total of, say, $500,000 and 10 division managers at an average salary of $50,000. On this total payroll of $1m., the allowable rise was $55,000. The chairman, annual salary, say, $200,000, might have given himself $30,000, or a 15 per cent. increase, and used the remaining $25,000 for rises for all the rest.

Under the new rules, the chairman, other officers and directors would be in a separate classification, the "executive control" group. The division managers would be lumped with other salaried employees for purposes of the 5.5 per cent. calculation. Rises to the executive control group would be limited to 5.5 per cent. of $500,000 for a total allowable increase of only $27,500. This total could be distributed within the group as desired.

The proposed rules were promulgated two months ago and industry was asked for its comments. They were immediate and adverse, but the objections were generally ignored and the final regulations were close to the original draft. Salary reports must be made by companies with sales of $250m. or more. Smaller ones need only keep salary records.

Some sections of the original draft, dealing with bonuses and incentive payments, were relaxed in the final form. Incentive schemes approved previously by the Cost of Living Council were allowed to continue and do not have to be resubmitted. Also, incentive compensation to the executive control group can be increased by a greater percentage than the increase granted middle management.

The new regulations are not totally inflexible. A company which thinks they impose a hardship can ask for an exemption.

Conferences

● The monthly course planner of the Management Centre Europe has just been published. It gives details of the Centre's courses in January 1974 and is available from the Management Centre Europe, Avenue des Arts 4, 1040 Brussels, Belgium.

● Because of increased demand during the past few months, The Industrial Society is organising a supplementary course "Effective Management for Supervisors—Part 1" from December 18-20, at Robert Hyde House, 48, Bryanston Square, London W1H 8AH.

● The Industrial Society has also just issued a folder containing programmes for its courses during the period January 14 to March 7 1974. Available from the Industrial Society, Robert Hyde House, 48 Bryanston Square, London, W.1.

● Two City institutions have announced courses in European Law to start in January next. The first, commencing on January 9, 1974, is a course of eight lectures on British and European Company Law at the School of Business Studies, City of London Polytechnic. The Course, which will be held always on Wednesday evenings from 5.30 to 7 p.m., will deal with the proposed reform of English Company Law, the formation of companies in the EEC, new issues, management structures and the proposals for accounting, takeovers and mergers made in EEC Draft Directives. The fee for the course is £1.25 and further information and application forms can be obtained from the Registrar, School of Business Studies, City of London Polytechnic, Moorgate, London, EC2.

● The second course consisting of ten weekly lectures is designed to give British lawyers an introduction to German Business Law. It will be held at the Graduate Business Centre of the City University and is designed to impart also the essentials of German legal terminology and legal linguistic usages. Lectures and Law Seminars will be in English but members of the course will be allotted to language seminars appropriate to their knowledge of the language. These will be provided by the German Institute in London.

All sessions will be held on Mondays starting on 14th January at 17.50 hours. The fee is £62.50 per student. application forms can be obtained from the Course Secretary, (L. Long), Graduate Business Centre, Gresham College, Basinghall Street, London, E.C.2.

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TUESDAY DECEMBER 4 1973

The challenge of Europe

THE MEETINGS of European Foreign and Finance Ministers, which started yesterday and continue to-day in Brussels, represent the beginning of the traditional year-end Community marathon. They have before them a long list of policy proposals, first launched over a year ago at the Paris Summit and since elaborated by the Commission, on which they are committed to take decisions before the end of this year, including the next phase of monetary and economic union, and the establishment of a new regional policy and regional fund.

Yet it is clear that their capacity for dealing with these Community policies is being heavily overshadowed, both by the pressing problems of the energy crisis, and by the imminence of the Community Summit which takes place in Copenhagen at the end of next week.

Summit

Yesterday the Finance Ministers discussed the progress on Economic and Monetary Union, but decided that no decisions could be taken until after the Summit. The Foreign Ministers likewise reviewed the state of play in the new agreements being prepared with Israel, Spain and the three Maghreb countries, and concluded that it would be imprudent to take decisions on any of them at this delicate moment.

Provided it does not last too long, this kind of stalling does no serious damage. It may not reflect well on the decision-making capacity of the Community's institutions, but it does underline the fact that the Middle East conflict and its aftermath have faced the Nine with a major test of their solidarity and of their sense of common purpose. From this point of view it is not wholly unreasonable that the Ministers should defer decisions on policy issues which can be deferred at least until the heads of state or of government have weighed the degree of political commitment which they are really prepared to give the Community in future.

The programme for economic and monetary union is a case in point. Most of the members of the Community have enjoyed many years of relatively trouble-free prosperity, albeit with rising rates of inflation in recent years, and their long-standing debates on monetary and economic union have been conducted with little sense of urgency.

Yet now Europe is faced with the prospect of a sharp setback in its growth rates as well as with an aggravation of inflation. If the programme for monetary and economic union is to mean anything, it must be taken more seriously. One ingredient, to which the British Government attaches a great deal of importance, is the establishment of a substantial and growing regional fund to help the backward areas, and Mr. John Davies is clearly counting on a decision being taken at to-day's meeting.

Regional

At the best of times a decision would not have been easy, since the Commission proposals would involve a significant transfer of resources to Britain, Ireland and Italy from other member states. It will be particularly difficult at a time when there is at least an outward lack of solidarity among the Nine over the energy crisis, in particular whether the more favoured countries like France and Britain will help their less fortunate partners like Holland.

In the medium term it would in practice be extremely difficult for Britain or France to pretend to ignore the close interdependence of the economies of the European Community. Even to attempt to do so would be to jeopardise the prospects for building a stronger Community. It would be foolhardy gratuitously to antagonise the Arab countries: it would be even more shortsighted to throw away the prospects for European integration.

Before it all began

THE LATEST batch of domestic economic indicators suggests in outline the state of the U.K. economy as it was before the current crisis developed. There might have been a slight satisfaction in recording that, before this began, the economy was behaving much as the Government wished and intended. Even in more favourable circumstances, however, the figures would not have been altogether reassuring.

The capital investment of industry during the third quarter is probably the least disconcerting of these figures—even if it is also, unfortunately, the one that has been most outdated by subsequent events. Investment by manufacturing industry was 6 per cent. higher in real terms then than in the previous quarter despite a quite sharp fall in new building work: investment by the distribution and service industries was up in total to much the same extent, though in this case building work was still holding up. Even at this level, the investment figures were well below the average of 1969-71, but the real upsurge was not expected (according to the DTI's own survey of intentions) to take place until next year.

Stocks low

The stock figures for the third quarter—the total stockbuilding of manufacturing industry was slightly above the second-quarter level but much below that of the first—can be interpreted in either of two ways. It can be argued that stockbuilding was levelling out in line with official expectations because stocks had already been rebuilt to a level satisfactory to industry: it can be argued, on the other hand, that special factors of one kind or another had kept stockbuilding artificially low. These special factors might include, for example, the high level of interest rates, the hope that some raw material prices would fall, and sheer scarcity. That such factors were operating, at least to some extent, is suggested by the fact that stockbuilding by manufacturers during the first three quarters of 1973 made up for less than the de-stocking carried out during 1971-72 and that the stock/output ratio reached a new low during the third quarter. More than the entire increase in stockbuilding, moreover, was made up by higher work-in-progress: manufacturers' stocks of finished goods fell and their stocks of raw materials and fuel were unchanged.

The final set of indicators, the retail trade and credit sale figures for October, provide some guide to the course of personal consumption, which had previously seemed to be slowing down of its own accord towards the rate of growth compatible with the economic framework of Stage Three. The October figures, though affected by higher social security benefits, throw a certain amount of doubt on this assumption.

Personal spending

In the first place, retail sales rose quite markedly in October, especially in the case of clothes and household durables; food sales—the measurement of which in real terms may well have been made more difficult by the sharp shift of prices—fell back further from their August peak. In the second place, the amount of consumer credit advanced rose quite steeply during the month: even comparing the past three months with the three months preceding, advances by finance houses have risen by 11 per cent. and those by retailers by 5 per cent. The total consumer debt outstanding has risen fast during the past quarter and at the end of October was 24 per cent. more than a year before.

Since then, of course, credit has become both scarcer and dearer while the demand for cars has fallen. The rise in consumer prices still in the pipeline will soak up still more purchasing power. But the Government will not find it easy to plan the future growth of consumption, let alone carry through its plans, and industry will not know how far to revise its previous capital expenditure intentions until the oil outlook becomes clearer. The narrow path between containing inflation and encouraging recession can only be successfully negotiated with the help of international consultation and joint action.

Fuel crisis brings aircraft makers down to earth

By MICHAEL DONNE, Aerospace Correspondent

THE FUEL crisis has forced the world's major airlines and aircraft manufacturers to re-assess their prospects, and the signs are that the events of recent weeks could hasten the long-awaited reorganisation of both these areas of aviation. In the short-term, there is bound to be a marked reduction in demand for all new aircraft, as the airlines struggle with the immediate task of getting enough fuel to keep their networks intact, despite severe cutbacks in services. In the long-term, however, the outlook is not so gloomy as some have suggested.

While fuel may continue to be in short supply for some time—and may eventually be replaced by some different motive-power — aviation will sooner or later return to its traditional role as one of the world's major growth industries. In the meantime, many aircraft manufacturers believe that the immediate future, involving some slackening of activity, offers them a chance to review forward policies. In particular, it could enable them to get on with the task of re-shaping the industry, especially in Europe, to be ready for the next generation of projects in the late 1970s or early 1980s that will carry them through to the turn of the century.

Glyn Genin

The Boeing 747 Jumbo jet carries about 42,500 gallons of fuel, but also lifts up to 400 passengers a time. Boeing is studying even bigger versions of the aircraft, and is also looking into the long-term possibility of using such other forms of fuel, as liquid hydrogen

Difficult to win orders

Some slackening in the pace of development had been expected by many in the aerospace industries of the U.S. and Europe for some time. Orders have been increasingly difficult to win, partly because of the greater cost and complexity of civil aircraft, and partly because of the airlines' own financial difficulties since the air traffic recession of 1970-71.

Now the fuel problems are certain to make the airlines even more cautious in their procurement policies. Many airline observers believe the current shortages may be only temporary, but no one knows just how temporary. The cuts in services are beginning to bite deeply—in the U.S., the biggest airline in the world, United, has had to lay off 1,000 pilots and cabin staff—and they may get worse before they get better.

To some extent, the cuts may be beneficial in giving the airlines an excuse to eliminate much of the wasteful competition they have been forced to indulge in. They may find that the higher load factors obtained from cutting out unnecessary flights, improves their balance-sheets to such an extent that they will not want to return to the old pattern of competitive expansion at almost any cost. But no one wants to see the cuts go so far as to damage the intricate structure of the air transport system.

The effects of the airlines' re-equipment policies on the manufacturers could be severe. Orders for the new generation of wide-bodies—Boeing 747s, DC-10s, TriStars and A-300B airbuses—that have been slow in coming, are likely to stay that way, despite the obvious advantages of such aircraft carrying more passengers for each gallon of fuel. Manufacturers world-wide are having to use all their persuasive powers, and generous financing techniques, to encourage reluctant airlines to buy.

Deliveries are delayed

Some airlines even have delayed deliveries—Eastern has delayed some TriStars, for example, with the result that Lockheed is laying off labour at its Palmdale, California, assembly plant. Few new aircraft have been able to get started — Boeing has only just got an order for its long-range Special Purpose variant of the 747, and McDonnell Douglas has failed to get its twin-engined version of the DC-10 moving. The Hawker Siddeley HS-146 has just been started, and is not due to fly until late 1975, when the fuel and order-book situation should be clarified.

Apart from these, it seems unlikely that there will be other major civil airliner developments for at least the next five years. This means that only those aeroplanes already in development or in production on both sides of the Atlantic will be available to meet air transport needs for the rest of this decade. The only exceptions will be variants of existing types, which can be produced quickly at reasonable cost, and only then if a substantial market is assured.

Ideas for more forward-looking aircraft, such as the Europlane consortium's Quiet Take-Off and Landing (QTOL) airliner, or the Boeing 7X7 "family" of jets, which as recently as the Paris Air Show in May were being forecast to start in 1974-75, have been put back in the face of lukewarm airline responses. Now, the fuel situation has pushed them back further, and many do not believe they will be started until the late 1970s or early 1980s.

Even when they do emerge, they will have to be better than the designs published so far—which went far beyond anything yet seen in terms of noise-acceptability. Society is becoming more intolerant of noise and the extra time the manufacturers now have been given should enable them to clean up the QTOL and 7X7 even more. This next generation of airliners could also be the last of those using fossil fuels. Their lives will extend up to the end of the century, by which time studies into new types of airliner propulsion—nuclear power, for example, or liquid hydrogen (Boeing is doing much research in this area)— will have reached the stage where they could be seriously considered for operational use.

The aircraft manufacturers thus face a tougher future than seemed likely even six months ago. For this reason, increasing attention is being focused on how long they can survive in their present form, and whether some regrouping is necessary. Companies in Western Europe in particular have been under pressure from their governments to reorganise into smaller numbers of stronger units, to meet the tougher competition to build fewer types of aircraft in the future. Those pressures now seem likely to be intensified.

Companies divided

The manufacturers are divided as to how to achieve this reorganisation. Major companies in West Germany and France seem more concerned with building up their national aerospace industries than with the idea of transnational mergers so often advocated by governments. In the U.K. there is no enthusiasm in either BAC or Hawker Siddeley for transnational mergers, and although both recognise the need for international collaboration on major projects, they see no reason why smaller ventures could and should not be undertaken on a national basis—the HS-146 is an example.

Government aid needed

The U.K. industry also is divided on the merits of any BAC-Hawker merger, despite continued Whitehall interest. Some see it as one way of solving some of the industry's long-term problems. Others argue in favour of keeping two separate major companies capable of working across-the-board in all aspects of aerospace, as at present. It is probable that only if the present situation worsens significantly, resulting in even tougher conditions in world markets, will these differing views be reconciled.

There is no disagreement whatever among the manufacturers on the need for Western European Governments to help create a stronger home market for European-built civil aircraft. Without this, the aerospace industries argue, that it is impossible even to begin thinking about mergers in the U.K., or about reorganisation in Europe. They say the industrial structure must evolve to meet the needs of the market, and not the other way round.

The manufacturers argue that 74 per cent. of all the airliners in European service are built in the U.S. This situation is likely to change little in the period ahead, because most of the aircraft that are on order or are likely to be bought are U.S. designed—747s, DC-10s, TriStars, 727s or their variants. Europe itself has only a handful to offer — Concorde, Airbus, Mercure, HS-146.

Thus, any incentive for reorganisation of the European industry is likely to be based on the work involved in building derivatives of existing types, such as a second-generation Concorde, or turning the A-300 into a family of jets—or on the longer-term generation of aircraft, such as Europlane or a similar venture. Whatever the venture may be, it will have to be financed by governments, thus strengthening their hand in dictating the shape of the consortium that will build it.

This is accepted by the manufacturers. They go further, however, and say that, in order to protect that investment, governments should start now to create the right market conditions in Europe for such a venture to succeed. They feel governments could create a European Civil Aviation Authority, on the lines of the U.S. Civil Aeronautics Board, to help develop a wider air transport policy, going beyond the present nationalist ideas of many airlines. They also want to see a European Certificate of Airworthiness introduced, involving common European standards and specifications.

They would like harmonisation of credit terms and facilities, and some kind of tariff protection against imports of U.S. airliners, similar to the duties which are enjoyed by U.S. manufacturers. Until this is done, they say that governments will continue to see their present and future investment in aerospace undermined by the import of products from the U.S.

Competition from U.S.

The aim now must be to ensure that Europe evolves a suitable industrial structure for aerospace, backed by a strong home market, with which to meet U.S. competition. This is already formidable, and is likely to become even more so. As airlines cut back their orders because of fuel shortages. When the situation improves, and buying picks up again, the U.S. manufacturers will be ready to pounce swiftly. The European aviation community must ensure that when that time comes it will be in a position to improve its share of the business.

MEN AND MATTERS

Whitelaw brings his Press man with him

The most interesting thing William Whitelaw did in starting his new job (he spent much of the day boning up for the NIRC debate in the Commons to-day) was to replace Bernard Ingham as Director of Information at the Department of Employment by Keith McDowall. The importance of Government PR men has always been played down here, unlike in the U.S., or the European countries where "information officers" can be of ministerial rank. McDowall is, in fact, a good example of how important a link between a politician and his public the PR man can be: while Director of Information in Northern Ireland for Whitelaw, journalistic opinion differs about how useful he was on explaining Government policy. But no one doubts that, intensely loyal to Whitelaw, he did a most effective job in projecting his boss's views and personality.

That loyalty is now rewarded. Whitelaw had to explain to Ingham yesterday that he had promised McDowall that wherever he went from Ireland the two would go together, and he was honouring that promise. From last night, Ingham was a civil servant on leave, awaiting posting.

This sort of thing is a rarity under the Tory Government. Some of the key people in the last Labour administration had their favoured PRs who moved around with them. Indeed they handpicked many journalists to fill such positions, where before they might have come from within Whitehall.

Both Ingham and McDowall fit into this category. Ingham left the Guardian's industrial staff for the Prices and Incomes Board, before moving to be Barbara Castle's speechwriter. He later took charge of information for his present department, when it was known as the DEP, and has been there since. His forte is explaining policies. Deeply committed and stubbornly Yorkshire, he can stand up to ministers or permanent secretaries and refuse to put icing on policy cakes of which he disapproves.

McDowall was a successful industrial editor of the Daily Mail. From there, after an abortive attempt running industry himself, making plastic bricks, he joined Whitehall at the DEA. He was head of information at the Home Office before going to Ireland for Whitelaw. He has a talent for public relations on a personal level. It is a style well suited to the brinkmanship of Ulster. Whether it works with the unions will be interesting to see.

Inflationary note

What is the value of a Chilean 100 pesos note? Nothing, says Antony Gibbs (Personal Financial Planning), which writes in an advertising mail-shot that its value has "decreased by approximately 1,300 per cent. over the last 15 years." The 1,300 per cent. is, Gibbs, admits, a mathematical error, since it would be difficult for anything to decrease by more than 100 per cent. But even more unfortunate is the fact that collectors are prepared to pay up to 25p for the notes.

Which might be embarrassing to Gibbs since it has sent out 50,000 (worth £12,500) of the "worthless" notes on the mail-shot. In fact, says Stanley Gibbons, which has recently started dealing in note-collecting (notaphilly), the 100 pesos notes, dis-continued in the early 1960s, could be bought by dealers up to a few years ago for around 2p each, and Antony Gibbs has presumably not given much for them.

But it is intriguing to think that it is partly due to inflation—the problem Gibbs was trying to highlight in its circular—that old notes now have a value to collectors fleeing real money.

"When Mr. Whitelaw threatened to use the IRA to settle the dispute, he was referring to the Industrial Relations Act."

ICL's outsiders

The last ICL finance director left five months ago saying that the job gave him too little time to himself. That was after Geoffrey Cross, the man brought in from Univac to revitalise the company, had had about a year as managing director, apparently concentrating much of his energy on tightening up financial control in the manner of a man trained in an American company. Since then Cross has himself been handling the finance job. So, on past evidence, the newcomer, John Miller, will be dealing with a boss who will never be far from his shoulder and has direct experience of much of the work.

But Miller says he still feels young enough, at 41, to "face the heat of the kitchen." He has an IBM training, thus, like Cross and Tom Hudson, ICL's chairman and another IBM recruit, he has had plenty of exposure to the pressures of big company life. And, like many executives from that background, he seems to have felt that the opportunities for advancement, from his post as treasurer would be limited.

He also echoes Cross's feeling of "wanting to come back home to run a British company," in saying that "there are many people who feel that it is important for the U.K. to have a viable computer industry." That, of course, begs a question, for there are equally many who feel that ICL can only become viable, in the long term, by combining with someone else.

In the meantime while ICL gears up to launch its new generation of machines, the recruitment of men like Miller looks strategically sound. The common enemy of the European computer industry is IBM. Who better to fight the enemy than someone who knows its ways?

Black Christmas

In his personal duplicated letter to Lonrho shareholders, R. W. Rowland, after wishing them a merry Christmas, signs off with his nickname Tiny. In view of the dismal Christmas we are likely to have, may I suggest that certain other well known City figures provide at least a smile by using the names by which they are commonly referred?

Observer

Where Mrs. Thatcher is half right

NE OF THE BEST palliatives r persistent gloom is a strong se of concentration on ildren. Those who feel that ey cannot be absolutely rtain that commodity prices ll begin to level off in the new ar, or that the Arabs will turn e oil back on again, or that the rn of Mr. William Whitelaw m Northern Ireland will be owed by a new concordat ween the trade unions and e Government might derive e comfort from contemting the current fashion for nding the provision of ation (or, at the very least, groups) for children under age of five.

his is a serious matter. Any able programme for movg Britain out of the slough despond must involve a mber of radical changes in ous social policies. One of e absolutely essential is a nge in education policy. It to be said at once that this s not mean that any conable new policy for educan would in itself be sufficient revitalise our society: those insist that you also have to kle housing, industrial relas, and the distribution of th and income are of se quite correct. But, if cation is not put right, all will fail.

Positive

ome politicians are well re of this. It is open to estion whether future generas will benefit more from s. Margaret Thatcher's inse in provision for teaching very young or Sir Keith eph's dreams of providing ervice training for parents, so that the most incompetent among them can be taught to make better provision for the intellectual development of their newborn offspring.

But there is no doubt that both these Ministers have initated policies for toddlers that could turn out to be of great value. This is not to say that Mrs. Thatcher has therefore been right about comprehensive schools, or that Sir Keith has been wise to produce quite so structured, management-mad a form of administration for the unified National Health Service—but those are other matters. If there is to be any relief from gloom we must concentrate on the positive aspect of such departmental Ministers' works. Sir Keith's hopes can be be discussed when he produces plans for putting them into practice; for the moment it is Mrs. Thatcher whose works command attention.

Her major achievement is, of course, last December's White Paper on education, which unveiled plans for a sharp and dramatic increase in the provisions of nursery school places. In my view this White Paper gave only half the loaf, for reasons to be explained in a moment—but first have a look at what is already being done.

At the time of the White Paper something like a third of all the children aged four in England and Wales were receiving some kind of education in state-financed schools, while for three-year-olds the proportion was as little as 5 per cent. This compared with the provision of nursery places for more than half the three-year-olds and four-fifths of the four-year-olds in France, and an even better situation in Belgium and Holland. Even in Italy, more than half the three- and four-year-olds get some time in a kindergarten.

Private

It is true that, because of this under-provision by the State, private efforts to meet the undoubted demand in this country have been increasing. Probably something like a twentieth of the children aged three and four now attend private day nurseries, the majority of them in the Home Counties, while a further tenth go to one or other of the 15,000 or so voluntary pre-school playgroups (many run by charities such as the Pre-School Playgroups Association or the Save the Children Fund, which do excellent work in this field).

But the figures show that, even with private provision, there is still not enough of the service available to meet the objective set out in the Plowden Report on primary schools—to offer places for all three and four, year-olds whose parents wish them to attend. It is this fundamentally important objective that Mrs. Thatcher has accepted as Government policy to be implemented over a period of ten years, the first of which has just passed.

The assumption on which this is based is that, at a maximum level of parental demand, nine out of ten four-year-olds and half the three-year-olds will need places at the end of the decade of growth. Most of these would be for half of a school day, but there would be full-time places for some. The specific Plowden suggestion of 50 per cent. provision of full-time places in "socially deprived neighbourhoods" has, sadly, not been taken up.

Terry Kirk

The Betts Street day nursery at Tower Hamlets in London's East End.

It might be thought that the National Union of Teachers would make the best of this important change in Government policy, which constitutes a greater advance in its area than anything any other Government has done since the war. It has, instead, very nearly made the worst of it, by turning out a pamphlet on "The Provision of Pre-School Education in England and Wales" that, while welcoming "a new though small and tentative step in the right direction," goes on to carp and demand and insist in the manner of a know-nothing trade union rather than a true organisation of professionals that might take pride in the essence of its work.

Thus it cries throughout for "more"—more places than Mrs. Thatcher has provided for, a greater ratio of nursery school teachers to toddlers, fewer play groups (which are run by mothers and are, therefore, unpaid competition for teachers), and less-free access for parents into schools—when, considering the ages of the children, one might have thought that the more that mothers and fathers can be brought in the better. The pamphlet has the tone of any group of practitioners aiming to prevent dilution of the ranks.

It is most important that this attitude of the National Union of Teachers be exposed. Teachers are underpaid, and it may be that, until this is rectified, the quality of some of the badly-traned university rejects sent in to ruin our children's minds will never be improved—but that is not the immediate point. For any truly radical change in education policy must include some directive from a central body—the Department Education itself, perhaps—that obliges teachers to bring the standard of attainment of children up to certain prescribed levels, at least in basic skills of literacy, numeracy, and use of the spoken language. Only in this way can the consumers of educational services—parents children alike—be assured that the content of education is improved, and that untested theories are not inflicted on innocent children by teachers half-educated to try them out. The many good teachers would themselves understand this.

I said earlier that Mrs. Thatcher had provided only half of what is necessary in nursery-schooling. The other half is close attention to the content of the education provided in the bright new classrooms she is having tacked on to the primary schools. As the recent report by Maeve Denby for the National Elfrida Rathbone Society points out: "What goes on in the pre-school groups is very much more important than their mere availability." Some good teachers know this, and some would acknowledge the inference to be drawn from accounts of successes with formal teaching methods, including the use of time-tables, goals, and old-fashioned instruction. It may be that more modern methods work as well, or better—but here again the question is whether the training of teachers to apply such methods is effective enough.

Sanctity

This central issue applies of course to education for children of all ages. Because the British tradition is to give the teacher the sanctity of a professional, what goes on behind the classroom door is thought of as outside the province of Governments, local authorities, or parents. This was tolerable so long as the children came out from behind that classroom door in a reasonably educated state: now that so many of them demonstrably do not, the cry, "leave us professionals alone," is losing force.

The idea of a central authority telling teachers how to teach is probably a bad one: there is no certainty about these matters, and the diversity offered by genuine local option is almost certainly the best safeguard. But there is no such objection against setting up some kind of national yardstick against which the effectiveness of teaching methods can be tested: this is after all a long Continental tradition. Yet no Minister of Education has yet dared to grasp this nettle: as one member of the present Cabinet has explained: "The result would be protest marches outside the Ministry's window all day long."

It might be said that there are other priorities—proper provision for West Indian toddlers, who are so often left with illegal child-minders: or further debate on whether any pre-school education can improve the later-life opportunities of any save the brightest working-class children (the evidence is mostly negative), or more consideration of the proper balance between care by mothers at home (which for the first few years is irreplaceable) and the release offered to both mother and child by a few hours at a nursery school.

All this is granted—especially the urgency of the case of those West Indian toddlers, who have been mentioned here before and will be mentioned again, since if provision for them is not made now we will soon reap the whirlwind from illiterate, unemployed, black teenagers. But the need for a proper cultural revolution in the content of British education—and the manner of teaching it—which is so plainly longed-for by so many parents of all classes, and so obviously more important than the sterile debate about whether schools shall be comprehensive or not, remains. The Minister who recognises this, and acts accordingly, will dispel more gloom than most politicians dream is possible.

Labour News

Half of dockers join one-day strike

BY ROY ROGERS, LABOUR CORRESPONDENT

K IN many ports was ught to a standstill yesterday n just over half of the ntry's 34,500 dockers ponded to an unofficial call a one-day national docks ike making about 100 vessels e.

Men from Liverpool, Hull, thampton, Glasgow, Grimsby, mingham and London's Royal up of docks joined the strike led by the unofficial national ts shop stewards committee support of demands for a 20 r cent. increase.

Those ignoring the call luded the majority of London kers—those at Tilbury, West a and Millwall docks and ployed at riverside wharves— men in Manchester, Bristol, th Wales, Tees, Tyne, Goole Greenock.

The national ports shop wards committee will no bt be reasonably pleased with response to its call which is n as a move to regain some its influence lost over the t year.

Prominent among the strikers were the traditionally militant Liverpool and Hull dockers. Mersey shop stewards have already lodged the 20 per cent. claim and would have received the employers' reply last Friday but for a separate issue which closed the port.

Hull dockers' decision to join the stoppage in support of the 20 per cent. claim clashes with their recent acceptance of a Stage Two pay deal which brought severe criticism from the national shop stewards.

Men from London's enclosed docks appear split between the 20 per cent. unofficial pay demands and the official claim for improved basic rate together with the introduction of an incentive bonus scheme talks on which resume to-day.

A mass meeting of the Mersey dockers yesterday decided to resume work to-day pending an appeal against the dismissal of a shop steward for allegedly sending an insulting note to a senior management official. It was the dismissal of shop steward Alan English which brought the port to a standstill last Thursday.

GLC fears ambulancemen may step up action

BY DESMOND QUIGLEY, LABOUR STAFF

ARS ROSE yesterday that ny of London's ambulancemen y step up their industrial ion and stage weekly two-day kes—withdrawing even emerey cover—in support of their nand for a basic weekly pay £40.

spokesman for the Greater don Council said yesterday t there was a real fear that more militant ambulancemen ld push the rest of the force holding two-day strikes.

e said that the GLC would be able to cope with accident emergency cases over two s as well as it had done during one-day strike last week.

ast week, 200 station officers 50 ambulancemen who used to join the strike proed emergency cover, but the rage time taken to reach an ergency rose from eight to or eleven minutes. In addition, many officers had only eight hours off in 36.

At a meeting of London ambulancemen's shop stewards last Friday, a resolution was tabled demanding weekly 48-hour strikes, with a return to work for two hours after the first day. The resolution was withdrawn after a short discussion and was not voted upon. However, the meeting voted to continue with weekly one-day strikes in addition to operating an accident and emergency service only at all other times.

Ambulance crews working for at least 114 of the 142 local authority ambulance services throughout the country are now banning all but accident and emergency calls in line with the decision of a national ambulancemen's delegate conference last week. The men are demanding increases of between £16.02 and £18.85 on their basic weekly rates.

NUPE to hold meetings on £102m. pay offer

BY OUR LABOUR STAFF

LEGATES of Britain's one lion local government manual kers who belong to the ional Union of Public ployees, will be holding meets throughout the country on urday to consider the recent l authority pay offer which es them increases of £2.32 basic weekly rates.

The national executive of PE, meeting over the weekl, decided to call the meets to obtain the views of the mbership, which includes bulancemen. However, the egates' decisions will not be ding on union negotiations.

The executive considers the offer—which gives total rises of 12.5 per cent. and would add £102m. to the local authorities' wages bill—is the maximum payable under Stage Three.

A pay offer under the Stage Three limits for hospital ancillary workers may be made later this month.

Other labour news Page 12

COAL SEARCH IN CUMBERLAND

The National Coal Board's open-cast executive intends to carry out prospecting for surface coal reserves at Outgang, near Branthwaite, Cumberland. The site is to the north of the village.

ICL likely buyer for marketing company

BY JAMES ENSOR

ICL HAS emerged as the most likely buyer for Pitney Bowes Data Systems, the European marketing arm of Pitney Bowes-Alpex, which manufactures computer-controlled cash registers for supermarkets and department stores.

Pitney Bowes, the U.S. parent, announced recently it was withdrawing from its diversification into manufacturing retail computer terminals because it could no longer tolerate the levels of financial support required to remain in the business. It had earlier bought out Alpex — a company formed by Mr. Norman Alpert — a computer entrepreneur, and its subsidiary, Pitney Bowes-Alpex, has established a market lead over such companies as IBM, NCR and Singer-Friden in this specialised business.

Pitney Bowes Data Systems, which is based in London, has been responsible for marketing the Spice and Pepper computer-controlled electronic cash registers, manufactured by Pitney Bowes-Alpex.

It has received orders from such groups as the John Lewis Partnership, United Builders Merchants and Kaufhof and claims to have sold a total of 500 terminals in Europe. Pitney Bowes has agreed to honour orders already placed, but will not accept new orders for the equipment.

ICL's interest in Pitney Bowes Data Systems is logical enough in view of the belief of Mr. Geoffrey Cross, its managing director, that retailing will provide one of the major growth areas of the computer business for the late 1970s.

The cash register terminal provides the link between the computer and the sales floor of the supermarket, cash-and-carry warehouse or department store. As yet, ICL has done little development work in this key area and does not yet have a product to market. It might be able to acquire a licence to manufacture the Pitney Bowes-Alpex equipment in Britain and could presumably take over all the existing software and systems development work that has been done in the U.S.

Financial trouble

Pitney Bowes' withdrawal from the rapidly growing electronic cash register market was announced a month ago after the American company had run into severe financial trouble due to a slow-down in some of its traditional markets. The costs of competing in the highly competitive retail market obviously proved too severe for the reduced financial circumstances of the company.

With IBM's belated announcement that it will, after some heart-searching, join NCR, Singer and Litton in the electronic cash register market, the business seems likely to become even tougher and less profitable in the next two or three year.

New delay in steel allocation figures

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

STEEL-USING industries will have to wait until January at the earliest before they can know how much steel they will be allocated for the second quarter of 1974.

This was disclosed last night by the British Steel Corporation which has already faced a protest about the delay in allocations from the British Iron and Steel Users Council.

A BSC spokesman maintained that it had been hoped allocations would be known early in December but because of the oil supply situation "a complete reappraisal of the original targets has had to be carried out."

The users originally protested in mid-November because order books in the EEC stretch for up to six months. Without an idea of how much they would get from the BSC, companies could not join the queue for this steel.

A spokesman for the users said last night that their attitude was now "one of regretful acceptance that the BSC can do no more."

Labour disputes

Several user companies are now looking once again, however, to see if they should apply for a duty-free allocation of steel from non-Common Market countries.

Applications for such allocations come up for consideration early in January. However, they only cover types of steel proved not to be available in the Community itself.

The apparent delay in next year's allocations stems from labour disputes in BSC "volume" steel divisions—strip mills and general steel—last May. BSC has been unable to catch up on the 500,000 tons lost during that time because of roaring demand since then.

Even a cut of 1m. tons in the export of steel (at an estimated cost of between £30m. and £40m. to the balance of payments) has done little to alleviate the situation.

Anothr labour dispute which has been going on since mid-November at Ravencraig in Scotland has been costing the strip mill division 25,000 tons a week and having a generally unsettling effect on the whole of that division.

The BSC spokesman emphasised last night that major customers — motor companies, heavy engineers, plant makers, shipbuilders and the like—accounting for about 40 per cent. of BSC's offtake of steel were "in continuing dialogue with the Corporation and not short of information about supplies."

The users also recently complained to the BSC about allocations for the first quarter of 1974—the only part of the year for which orders have yet been taken.

They maintained allocations on a wide variety of steel products had been cut back from those for the last quater of 1973 at a time of booming output.

An "investigation in depth" by the users has shown so far that "some cut backs are already substantial," the spokesman stated.

Results of the investigation will be produced for the BSC when it meets the users next Monday.

PETBOW SELLS £2.9M. GENERATORS IN 10 WEEKS

A record £2.9m. worth of generator orders have been taken in the past ten weeks by Petbow—making it one of the busiest periods in the company's history.

The company, which makes generating plants at Sandwich, Kent, said yesterday that while the power crisis had undoubtedly helped British sales, 50 per cent. of the orders were for export.

It predicted that the high volume of sales would continue throughout next year because "people in industry now realise that the power cuts of 1971 and 1972 were not isolated incidents."

Scott Lithgow £30m. order

BY JAMES McDONALD, SHIPPING CORRESPONDENT

SCOTT LITHGOW—the lower Clyde shipbuilding group—has won an order worth about £30m. from a Greek shipowner for two 135,000 deadweight tons oil tankers.

Mr. A. Ross Belch, managing director of Scott Lithgow, said last night that the contract for the two ships would bring the group's order book to over £200m.—"half for export."

The orders have been placed by the Angelicoussis Shipholding Group, of Greece. The ships will be delivered between 1977 and 1978, an indication of the length of the Scott Lithgow order book.

Mr. A. J. Angelicoussis said that for the last 10 to 12 years the Greek group had placed its orders in Japan. "We are placing these orders with Scott Lithgow because now we find their prices have become internationally competitive," he added.

The two tankers will operate under the Greek flag. They will be powered by Burmeister and Wain diesel engines built under licence by John G. Kincaid, of Greenock. The ships will be built in the Kingston yard, Port Glasgow, of the Scott Lithgow group.

COMPANY NEWS + COMMENT

Jas. Latham over £½m. ahead so far

TIMBER MERCHANTS, James Latham, reports a jump in profits from £468,000 to £1,046,000 for the six months ended September 30, 1973, on a turnover ahead from £6.18m. to £9.37m.

The sales volume has risen considerably during the current period and benefit will soon be felt of the new depot at Bristol which is now fully operational and already attracting new business, state the Directors.

The interim dividend is effectively maintained at a gross equivalent 2.67 per cent.—1.87 per cent. net. The total for 1972-73 was equal to 9.1 per cent., paid from profits of £1.67m.

	First half 1973-74	1972-73
Turnover	9,371	6,184
Profit	1,046	468
Taxation	523	187
Net profit	523	281

● comment

Having doubled to 15 per cent. over the two halves of last year, Latham's pre-tax margins for the opening half of 1973-74 have eased back to just over 11 per cent. Seasonal bias is one reason, but the major influence is still trading fundamentals like rising costs and flattening timber prices. However, Latham reckons to have met plenty of volume growth up to October, it is something of a panel products specialist and the new Bristol plant is shaping well. For the market, the main imponderables are road delivery, high financing costs and the uncertainty of the big stock element within current timber profits. At 213p, a net historic p/e of 5.2 compares with 4.4 for a softwoods major like International Timber. So Latham's net worth—say 248p—is perhaps its best support.

INDEX TO COMPANY HIGHLIGHTS

6.57p seen for Alpine Soft Drinks

AN INTERIM dividend of 2.37p gross—1.8p net, is declared by the directors of Alpine Soft Drinks. And a total of not less than 6.57p is forecast.

In the period ended March 31, 1973, a single payment of 4p, 2.8p net, was made, and the directors said then that if the company had been quoted throughout the year, dividends would have totalled 5p.

An increase in turnover from £1.16m. to £1.37m., partially due to exceptionally good weather, lifted taxable profits from £182,237 to £271,272 for the half year ended September 29, 1973.

The directors report the planned expansion of business continues successfully at the programmed rate.

After tax £136,000 (£70,300) net profit comes through at £135,272 (£111,937).

	Half-year 1973 £	1972 £
Turnover	1,373,941	*1,183,957
Trading profit	271,272	182,237
Taxation	136,000	70,300
Net profit	135,272	111,937
Interim	41,220	1,925
Retained	94,052	110,012

* Purchase tax of £130,357 has been excluded.

● comment

Alpine's expansion appears to be running exactly to schedule with 213 rounds (against 160 in March 1972) expected to be achieved by the end of 1973, and this is reflected in the 49 per cent. pre-tax jump in profits scored for the first six months of 1072-73. Last year the group's profits growth was aided to quite a large extent by a very mild winter and, since there seems little chance that similarly favourable conditions will prevail this time, it would probably be wise to expect some easing in the growth trend in the second six months. Nevertheless, the group has recently expanded into Wales and has also launched a new company in Scotland. The first contributions from both of these should begin to show through next year, so prospects seem to justify a net share rating of 12.3 at 119p, for the last reported 12 months.

Upsurge at Atkins Bros.

Profits of Atkins Brothers (Hosiery) recovered from £71,321 to £120,631 in the six months ended September 30, 1973.

The interim dividend is raised from 4 per cent. to a gross equivalent 4.285 per cent.—3 per cent. net. The total for 1972-73 was 14.175 per cent. paid on profits of £213,510.

	First half 1973-74 £	1972-73 £
Group turnover	2,295,000	2,163,000
Profit before tax	120,631	71,321
Taxation	50,000	22,000
Net profit	70,631	49,321

● comment

Atkins entered 1973-74 with cash assets worth around 8p a share, so the group's volume gains have pushed through to the earnings level without too much pressure from financing costs. This is probably just as well, for actual volume growth does not look to have been all that remarkable: sales for the six months are up only 6 per cent. in value while the talk in August was of buoyant orders. Just where the group goes from here is difficult to assess. Taking a line through the past reported 12 months and stripping out last year's fixed asset sales point to annual profits of £230,000 a net p/e at 43p of 12½: and Atkins poised little more than a fifth below its 1969-70 profits peak.

Wm. Sinclair margins down

Turnover of William Sinclair and Son, the holding company of the Sinclair McGill Seeds Group and the Lindsey and Kesteven Fertilisers Group, increased from £6,719,000 to £7,893,000 for the year ended June 30, 1973. Pre-tax profit was £680,000 (£773,000) and net profit £302,000 (£474,000).

Turnover of the seeds division increased by 12.9 per cent. and profits by 21.9 per cent., and says the chairman, Mr. E. R. Izod, the group is now fully integrated following the takeover of the United Seeds Group some three years ago.

In the fertiliser division (34.3 per cent. owned by the group), turnover advanced by 13.3 per cent., but profit was reduced by 19.2 per cent., because of increased costs and devaluation, without the required corresponding increase in the sale price.

A maximum permitted dividend of 11.025p net, equal to 15.75p (15p) per share is recommended.

Troydale recovers to £305,000

FOLLOWING THE first half recovery, profits of Troydale Industries moved ahead from £113,146 to £130,302 in the second six months, bringing the total for the year ended September 30, 1973 up to £305,840—£127,208 up on 1971-72 and some £38,000 below the record £344,000 reported for 1968-69.

When reporting at half-way the directors forecast a significant improvement on the 1971-72 profit level.

The dividend is stepped up from a single 2½ per cent. interim to a gross equivalent 10 per cent. The final is 4.2 per cent. net—equal to 6 per cent. gross.

After tax £145,454 (£78,780), the net profit is £160,386 (£101,852).

Group interests cover textile manufacturing, civil engineering and finance.

Anglian Food on better course

Anglian Food Group, control of which was acquired earlier this year by Fitzwalter Wright, the East Anglian merchant bank, reports a pre-tax profit of £25,614 for the year ended September 30, 1973, compared with £35,993.

This follows a first-half loss of £35,000 and Mr. J. Wright, the chairman, states that the company "is now on a strong recovery course."

The dividend is 0.35p net per share—0.5p per share gross against total dividends of 2p gross last year.

Reorganisation of the company is now complete, reports Mr. Wright, and all loss making activities have either been sold or closed down.

Turnover rose to £3.2m. from £2.6m. Included in the figures are a number of extra-ordinary items producing an additional £122,606 (£77,346 debit) to post-tax profits with the result that the net attributable balance is increased to £137,478 against a loss of £73,312 last year.

Earnings per 10p share are stated at 0.42p (0.12p).

Extra-ordinary items comprise: Provision for deferred tax no longer required £73,300 (nil); amount of dividend waived in respect of 1,066,300 shares £5,332 (nil); adjustment to accumulated depreciation of prior years £50,762 (nil); provision in respect of associate no longer required £13,504 (£13,504 debit); loss on sale of Poole Oyster £22,438 (£10,278); provision for loss on closing down of Cobb Nederland BV £22,000 (£53,764); profit on sale of farms £86,593 (nil); compensation for loss of office of directors £16,034 (nil); loss on closing down of Anglian-Cobb (Sheep) £15,721 (nil); costs in connection with major reorganisation and rationalisation £32,692 (nil).

	1972-73 £	1971-72 £
Turnover	3,157,000	2,635,000
Group profit*	25,614	35,993
Share associates loss	572	10,315
Taxation	10,170	21,441
Net profit	14,872	4,234
Extraordinary credits	122,606	†77,346
Making	137,478	†73,312
Dividend	12,573	10,709

* After charging depreciation £109,530 (£120,675), auditors' remuneration £4,495 (£4,265), hire of plant, etc., nil (£11,620), bank and loan interest £30,367 (£17,575), directors' remuneration £23,442 (£49,921), and crediting investments income £2,405 (£1,440). † Debits. Loss.

Associated Tooling progress

IN LINE with expectations of a record profit for the current year Associated Tooling Industries reports first half group pre-tax profit up from £21,249 to £102,421, and almost double the £54,083 for the year to February 28, 1973.

The interim dividend is stepped up from 0.625p to 1.25p gross—0.875p net—per 25p share. The 1972-73 total was 2.5p.

	Half-year 1973 £	1972 £
Turnover	699,776	394,283
Trading profit	172,351	78,243
Depreciation	40,539	35,948
Interest charges	29,391	21,046
Profit before tax	102,421	21,249
Taxation	*52,000	8,500
Net profit	50,421	12,749

* Including transfer to tax equalisation reserve.

Laser Engineering has a substantial interest in the company.

Loss at Barnagore Jute

A net loss of £178,230 is reported by Barnagore Jute Factory for the year ended March 31, 1973. This is struck after tax credits of £84 (£8,621).

The preference dividend is paid, but there is no Ordinary dividend (5 per cent.).

No transfer is made to development rebate reserve (£12,862) although it will be obligatory to secure appropriate tax reliefs to transfer to that account £34,432 out of future profits in respect of capital expenditure, say the directors.

The 1973 trading loss has been arrived at after making further provision for retirement gratuities of £188,502 (£295,271) and of this provision £54,917 (£29,037) relates to services during the year. The balance relates to service in prior years.

Unabsorbed overseas tax losses at March 31, 1973 are estimated at £347,394. A transfer of £3,214 (£14,307) has been made from development rebate reserve to general reserve.

Debit carried forward is £68,701 (credit £119,439).

Amos Hinton's first half

On a turnover up from £9.60m. to £12.11m., group pre-tax profit of Amos Hinton and Sons increased from £323,151 to £360,909 for the 28 weeks to September 15, 1973. Profit for the year to March 3, 1973, was £628,411.

Net profit for the 28 weeks was down from £193,951 to £183,409, after increased tax of £177,500 (£129,200). The business is that of grocers and provision merchants, bakers and butchers.

An interim dividend of 0.975p net per 10p share, equal to 1.393p gross, is declared. The 1972-73 gross total was approximately 2.874p.

Statement Page 28

BROKING GROUP

The formation of a new group of insurance brokers, Berkeley Burke Legg and Co., backed by merchant bankers Dawnay Day, has been announced.

The group has offices in London, Leicester and Liverpool. Additional offices are envisaged for other cities.

The group has also linked with a leading French firm of insurance brokers to handle its European interests.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Alpine Soft Drinks int	2.57†(h)	Jan 22	—	—	4
Anglian Food	0.35†§	—	0.5	0.5	2
Assoc. Tooling int.	1.25†(k)	Jan. 25	0.63	—	2.5
Atkins Bros. (Hsry.) int.	4.3(a)	Jan. 24	4	—	14.17
Berjuntal Tin int.	80.(n)	Jan. 9	50	—	125
Bremner int	0.88†§	Feb. 1	1.25	—	4.27
Haslemere Estates int.	11.02(f)	Jan. 25	10	—	31.5
Amos Hinton int.	1.39†(b)	—	1.3	—	2.87
L. B. Holliday	5.25†(e)	—	5*	5.25	5*
Johannesburg Consd.	35(p)	—	30	—	100
Jas. Latham int.	1.87†§	Jan. 18	2.67*	—	9.1‡
London Asiatic Rubber and Produce int.	0.5†(m)	Jan. 31	0.36*	—	2.3*
Oliver Pell	10(c)	April 2	15	20	25
Rugby Portland int.	1.60†(o)	Jan. 31	1.53*	—	3.28*
Wm. Sinclair	15.75†(q)	—	13	15.75	15
George Spencer 2nd int.	2.03†(g)	Jan. 18	1.87	—	3.12
Tristram Invest. int	9(j)	Jan. 31	—	9	—
Troydale	6(d)	Jan. 14	Nil	10	2.5
W. E. Yates	33.82	—	38.2	33.82	38.2

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and or acquisition issues. § Net—equal to last year's gross. (a) Net 3 per cent. (b) Net 0.975p. (c) Net 7 per cent. (d) Net 4.2 per cent. (e) Net 3.675p. (f) Net 7.717 per cent. (g) Net 1.422p—making 3.281p gross to date in respect 15½ months. (h) Net 1.8p. Made public November, 1972. Total not less than 6.57p is forecast. (j) Net—against minimum 7 per cent. forecast. Made public February, 1973. (k) Net 0.875p. (m) Net 0.35p. (n) Malaysian cents. (o) Net 1.1865p. (p) South African cents. (q) Net 11.025p.

L. Holliday expansion profit

ANILINE DYE manufacturers, L. B. Holliday (Holdings) reports a sharp expansion from £410,261 to £601,273 in group pre-tax profit for the year to June 30, 1973.

Net profit came out at £344,178 (£238,495), after corporation tax £4,095 (£113,766), and transfer to deferred tax account £253,000 (£58,000), etc.

Plant replacement reserve receives £186,000 (£120,400).

The dividend on the privately held Ordinary is effectively raised from 5p to 5.25p gross—3.675p net.

ISSUE NEWS

JESSEL RIGHTS

In respect of Jessel Securities' rights issue of 3m. (7.7 per cent.) Convertible Cumulative Redeemable Preference shares of £1 each Hambros Bank announces that applications have been received for 929,093 shares (30.97 per cent.) and that excess applications have been received in respect of a further 252,798 shares (8.43 per cent.) which have been allotted in full making a total of 1,181,893 (39.4 per cent.). Therefore 60.6 per cent. will be taken up by the underwriters. Letters of allotment for the excess shares will be posted on Wednesday, December 5.

STAR EUROPEAN

Star European Finance N.V. (incorporated in the Netherlands), wholly owned subsidiary of Star (Great Britain) Holdings announces that it has withdrawn for the time being the issue of $25m. U.S. bonds 1988.

GRAND MET.

Grand Metropolitan announces that permission to deal in and quotation for its Ordinary shares has been granted by the Paris Stock Exchange. The listing has been arranged by Banque de Paris et des Pays-Bas in conjunction with S. G. Warburg and Co. Dealings will start to-day. This is the second Continental listing for Grand Metropolitan's Ordinary shares: in April, 1973 they were listed on the Amsterdam stock exchange.

Lowe and Brydone position

The offer of 60p a share on behalf of Mr. Frank Sanderson's private company, First Eleven, for Lowe and Brydone (Printers) has now been despatched. In a letter to shareholders, L and B's chairman, Mr. J. P. Brydone, points out that the recent middle market price of L and B shares was 82p, substantially above the offer price, and says that holders wishing to dispose of their shares should consider selling in the market, in any event, they should consult their own professional advisers as to the action they should take.

As announced on November 14, First Eleven has acquired 32 per cent. of the existing L and B shares from Mr. Brydone and other major shareholders. It is proposed that First Eleven should subscribe for 250,000 new L and B Ordinary shares at 60p, bringing its stake in the enlarged capital up to 31 per cent.

Shareholders' approval for the necessary capital increase is being sought at an extra-ordinary meeting. Should the agreement to subscribe for new shares (which is conditional on the capital increase) not become unconditional, the vendors of the holding already acquired by First Eleven have agreed to accept the offer for enough further shares to give First Eleven a 31 per cent. shareholding.

Terry [illegible]

Sir Joseph Lockwood, chairman of EMI, addressing yesterday's annual meeting in London.

EMI well ahead at four months

FORECASTING further progress this year for EMI, the electronics, records and entertainment group, chairman Sir Joseph Lockwood yesterday also reported "substantially higher" profits in the first four months of the current year ending June 1974.

Sir Joseph told the annual meeting in London that it was not easy to forecast international events which would affect the trading performance of the company. Fuel and material shortages were threatened, but the company's executives were concentrating their efforts everywhere to minimise any adverse effect.

Shareholders were told that at its present level of U.K. earnings, EMI was within the limits on profit margins imposed by the existing counter-inflationary legislation.

"Your Board is confident that, with the wide overseas spread of its business, the group will make further progress this year unless there is serious disruption in one or more of our major markets," said Sir Joseph.

Of last year's record £27.3m. pre-tax profit, Sir Joseph commented that it was particularly encouraging to see major increases coming from Europe and from North America, where Capitol Industries Inc. "continues to perform extremely well."

See Lex

Edward Webb (Worcester) profit up

Manufacturers of interlinings for the clothing industry, Edward Webb and Sons (Worcester) anounces a pre-tax profit of £116,331 for the 53 weeks to October 3, 1973, compared with £23,820 for the previous 52 weeks.

The accounting year has been extended to December 31, 1973 and an application to pay an increased dividend will be made, directors state. An interim dividend of 1.3125p gross has already been paid. A single payment of 1.35p was made for 1971-72.

	53 wks. 1972-73 £	52 wks.
Group turnover	1,197,408	[illegible]
Profit before tax	116,331	[illegible]
Taxation	[illegible]	[illegible]
Net profit	[illegible]	[illegible]
Tax equalisation	[illegible]	[illegible]
Dividends	[illegible]	[illegible]
Forward	[illegible]	[illegible]

Haslemere £40m. valuation gain

BY PETER RIDDELL, PROPERTY CORRESPONDENT

THE RECENT intense controversy over the sharp increases in *property values this year was* highlighted again yesterday with the announcement by Haslemere Estates that in the opinion of its directors the *open market* value of its fully let investment properties has increased from £62m. to about £102m. since the end of March *this year.*

This sharp rise is partly explained by the Conservative nature of the valuation last *March and the statement then* included a number of caveats about the uncertainty created by the Government's long term business *rent policy. This uncertainty* was removed two months ago by the Government's decision not to introduce long term controls *which means that the propjerties* have been valued on a lower yield basis than before.

Moreover there has been a rapid rate of increase in office rents this year, particularly in central London where Haslemere has a high proportion of its portfolio.

This subject has been the centre of a strong political debate following the announcement last month by Land Securities than the value of its completed properties had increased by 27 per cent, *since last March and this has led* to a number of calls for a tax on the increase in property values.

Haslemere is best known for its high quality office restoration schemes in central London but it now has an equal number of new office developments. Mr. David Pickford, the managing director, told the Financial Times last night that the company is actively looking on the Continent and has already acquired projects in Paris and Rotterdam.

The company has also forecast *an increase in net rental revenue* from £3.11m. to over £3.8m. and advance in trading profit from £1.49m. to more than £1.5m. in the year to March 31, 1974.

First-half net rental income advanced from £1.4m. to £1.92m., while trading profit decreased from £0.64m. to £0.52m., giving a total of £2.44m. (£2.04m.).

	Half year 1973 £000	1972 £000	Year 1972-73 £000
Net rental revenue	1,920	1,400	3,109
Trading profits	520	640	1,491
Total	2,440	2,040	4,600
Interest charges	1,710	1,160	2,488
Managmnt expenses	200	150	328
Balance	530	730	1,784
Share assoc. deficit	10	3	18
Taxation	265	292	716
Net profit	255	433	1,050
Dividends	149	193	494
Forward	[illegible]	[illegible]	1,330

An interim dividend of 7.717 per cent. net, equal to 11.024 (10) per cent. gross, is declared. The 1972-73 *gross* total was 31.5 per cent.

The overdraft and short-term borrowings were reduced by the £im, proceeds of the second tranche of the 10½ per cent. first mortgage debenture stock received *in May. With fixed* interest rates for long term money at an unprecedented high level, several lines of medium term three and *five year loans at a floating rate* linked to the inter-bank rate have been arranged.

On developments where Haslemere *does not wish to retain* 100 per cent. of the equity and shoulder the full burden of interest, leasebacks and side by side arrangements are being negotiated with a limited number of institutions.

At September 30, 1973, the book value of properties where development has been completed since March 31, together with properties held for or under development was £18m

The development programme now *exceeds £30m.—the resultant* expenditure has meant increased borrowing and therefore a much higher interest charge.

Throgmorton Securities recently increased its holding of Ordinary shares in Haslemere from 13 to 18 per cent. of the capital.

See Lex

Rugby Portland up £0.7m in first six months

ON A TURNOVER some £3.2m. ahead *at £26.81m., profits of the* **Rugby Portland Cement Company** have increased from £4.02m. to £4.73m. in the six months ended *June 30, 1973. The figures for* 1972 were £46m. and £10.23m. respectively.

At the meeting in May chairman *Sir Halford Reddish* reported that deliveries and pre-tax profits for the first four months of the current year were substantially *ahead of the same 1972 period.*

The interim dividend on the Ordinary is effectively raised from 1.53p to a gross equivalent 1.695p per 25p share—1.1865p net. The 1972 total was equal to 3.28p.

The dividend on the 5p Participating shares is effectively increased from 0.944p to a gross equivalent 1.083p—0.7581p net.

Sir Halford points out that *although the interims have been* raised the totals for 1973 will be subject to the restrictions.

	Six months 1973 £	1972 £
Group turnover	26,567,446	21,628,564
Trading surplus	6,081,505	5,101,990
Depreciation	1,347,676	1,061,791
Profit	4,733,829	4,020,199
Taxation—		
U.K.*	909,000	537,000
Overseas	771,000	678,000
Total	1,680,000	1,215,000
Net profit	3,053,829	2,805,199
Minorities	123,808	108,950
Attributable	2,930,021	2,696,249

* Includes equalisation reserves of £450,000 (£100,000).

See Lex

Export boost for Nairn Products

Export turnover of vinyl wallcoverings manufactured by Nairn *Coated Products increased by 60* per cent. for the half year to June 30, 1973.

The company, a subsidiary of *Nairn Williamson, anticipates* further penetration of the Common Market following the recently concluded agreement *with the Dusseldorf-based* wallpaper manufacturer, Hosel and Saar, to distribute Nairn vinyl wallcoverings in Germany.

Nairn expects vinyl, now only a small part of German wallcovering sales, to follow the U.K. trend, where it represents about *40 per cent. of total sales.*

Increased demand for the new product range of fire retardant vinyl upholstery fabric, is also reported.

Triplex Foundries

The outlook at **Triplex Foundries Group** depends on commonsense prevailing throughout the country, warns chairman Mr. R. Harrison.

The second-half so far is showing good results, but once again there are problems of power and fuel shortages due to unfortunate disputes, he says in his interim report.

Caird (Dundee) prospects

In his interim statement Mr. G. M. Drummond, chairman of **Caird (Dundee)**, says that currently the general economic outlook is bleak and it is impossible to predict what effect it will have on the carpet trade.

In the 25 weeks ended Septem*ber 22 profits advanced sharply* from £217,271 to £413,714 (as reported), on turnover of £2,446,659 against £1,522,839.

Conditions in the space dyeing department have continued to be satisfactory but the group is now experiencing an acute shortage of raw materials which is likely to affect the second half, says the chairman.

Results from the carpet printing department have been adversely affected to a greater degree than anticipated by the wide range of products the group has been asked to process. This has necessitated more development work than was expected. However Mr. Drummond sees this coming to an end and looks for a contribution to profit in the *second half.*

Interims are resumed with a 5 per cent. payment. For 1972-73 a single 10 per cent. dividend was paid from profits of £394,661.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. *Such meetings are usually* held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the *subdivision shown below is based mainly on* last year's timetable.

TO-DAY

Interims: Castings, Chapman and Co. (Balham), Churchbury Estates, B. Elliott, Highams, Parkland Textile, Property Security Investment Trust, Rowlinson Construction, Scotcros, Tecalemit, C. & W. Walker.

Finals: *J. W. Cameron,* International Computers, Kelsey Industries, Ranks Hovis McDougall.

FUTURE DATES

Interims—	
Boardman (K. O.) Intnl.	Dec. 6
Estates Property Investment	Dec. 12
Graham Wood Steel	Dec. 12
Inch Kenneth Kajang Rubber	Dec. 14
May and Hassell	Dec. 17
Norwest Holst	Dec. 12
Porter-Hattersley	Dec. 14
Shaw Carpets	Dec. 13
Finals—	
Brigray *Group*	Dec. 5
Cranleigh Group	Dec. 6
Elson and Robbins	Dec. 7
Hunslet (Holdings)	Dec. 18
Stocklake Holdings	Dec. 5
Weyborn Engineering	Dec. 31
Williams (John) of Cardiff	Dec. 6

Mr. Rowland expresses his appreciation

A Christmas message of goodwill has been sent to shareholders in **Lonrho**, the pan-African mining and industrial group, by chairman, Mr. Tiny Rowland. He has also expressed the belief that they can look forward to "encouraging prospects" *in the new year.*

Referring to the Boardroom battle for control of the company which raged earlier this year, Mr. Rowland says that his preliminary statement in respect of 1972-73 gives him the opportunity "to write a personal note to shareholders to express my appreciation for the support which has been given to the company and to me personally over the past year."

Mr. Rowland says that his confidence in the emerging strength *of African countries* has been shown to be justified by current events. He only regrets that events of the past year have made it difficult to establish the same confidence in Britain in Lonrho's prospects as has been "expressed so widely overseas."

Lonrho has just announced pre-tax profits for the year to September 30, 1973, up from £16.8m., pre-tax, to £28.8m. No forecast for the current year has yet been made, but it has been stated that budgets submitted by all sections of the group indicate a further year's "healthy trading."

Invest Trust gross income expansion

First half (to November 1, 1973) gross in income of **The Investment Trust Corporation** increased from £1,184,667 to £1,324,447, but after a substantially increased tax charge, etc., net revenue is down from £878,256 to £722,032. The figures for the year to May 1, 1973, were £2,454,998 and £1,507,117 respectively.

An interim dividend of 1.4p net, *equal to last year's 2p gross,* has already been announced. The 1972.73 gross total was 3.375p.

	Six months 1973 £	1972 £
Franked income	933,108	794,949
Unfranked	279,135	339,463
Deposit interest, etc.	112,204	50,255
Gross income	1,324,447	1,184,667
Management expenses	61,446	55,132
Debenture and loan int.	170,949	195,638
Taxation	358,040	55,604
Net revenue	722,032	878,256
Preference dividend	34,256	49,937
Available Ord.	*687,776	829,321
Interim dividend	424,333	620,256

* Reflects change-over to imputation tax system.

Net asset value per 25p Ordinary at November 1, 1973, was 216.6p (205.4p at May 1, 1973), including full investment dollar premium, after prior charges at repayment values. Assuming full conversion of the Convertible Loan stock net asset value was 215.7p (204.9p).

Oliver Pell loss: pays 5% less

Oliver Pell Control, *designers* and manufacturers of electromagnetic components, has incurred a loss of £16,735 for the year to March 31, 1973, and is cutting its dividend to 20 per cent. gross, the final being 10 per cent. —or 7 per cent. net.

In the preceding year, the group made a profit of £58,848 and shareholders received 25 per cent.

The directors are confident about the future, although they find a definite forecast difficult. The order book is very satisfactory, and includes a rising proportion of export orders; however, they point out the uncertainty as to the effects of recent legislation upon home trading, and to some doubts as to world trade in general.

	1972-73 £	1971-72 £
Turnover	1,322,602	1,392,226
Loss	16,735	*58,848
Tax relief	6,694	†16,500
Net loss	10,041	*42,348

* Profit. † Charge.

CAPITAL & NATIONAL TRUST

As a quorum was not present at Friday's meeting of "B" Ordinary holders of **The Capital and National Trust** to consider proposals relating to rights and giving a once-for-all 6 per cent capitalisation issue, the meeting was adjourned. It will be reconvened on December 7 at 11 a.m. at Bucklersbury House, EC.

As the proposals were approved at the extra-ordinary general meeting and class meeting of Ordinary holders, on the passing of the necessary resolution at the adjourned meeting, they will become effective.

HENRY SYKES

The group holding company formerly known as Sykes, Lacy-Hulbert is changing its name to **Henry Sykes.** The main operating subsidiary is also changing its name to **Sykes Pumps.**

The group, founded in 1857 by Henry Sykes, manufactures and hires pumping and dewatering equipment.

Big advance by ICI Australia

AN UNAUDITED group net profit of $A22.66m. against $A15.12m.) for the year ended September 30, 1973, is announced by **ICI Australia.**

The figure was struck after tax of $A20.62m. ($A11.92m.) and depreciation of $A22.55m. ($A19.94m.).

External sales totalled $483.88m. ($359.74m.).

A final dividend of seven cents (six cents) per share is recommended, making a total payment of 12 cents (10 cents).

The increase in sales was greater than normal due to the high volume of demand for all products, especially those used by the building and rural industries, the directors say.

During 1973, revaluation of the Australian dollar and a 25 per cent. reduction in tariff rates created conditions which otherwise would have led to a dramatic increase in imports of chemicals, plastics and other competitive products.

The current world shortage of many of these materials has, however, *deferred the impact of these* changed conditions on the company's trading, the Board adds.

Costs of wages, raw materials *and services continue to rise to* an increasing rate. Most manufacturing plants were now working to capacity and some well beyond *their original design limits.* It now seemed unlikely that further cost increases could be fully absorbed through further increases *in productivity.*

There were extraordinary credits from the sale of fixed assets and investments and additional income arising from the rationalisation of the ammonia business.

Coalite & AAA in joint venture

Anglo American Asphalt Company and **Coalite and Chemical Products** are forming a joint company 50 per cent. of which will be held by each of them.

It is expected that the name *of the company will be A.A.A.-Coalite* (Road Binders) and it will manufacture and market road binders; it will have distributing centres at Bolsover, Bristol, Shenstone, Cleckheaton, Taunton, Tonbridge and Alltgoch.

The Board of the new company will consist of Mr. D. M. McL. Burnell (chairman); Mr. E. H. Laurence (general manager); Mr. R. P. Marshall; *Mr. A. E. Thompson;* and Mr. R. A. J. Webb.

BIDS AND DEALS

Burmah may acquire U.S. parts distributor

Burmah Oil is considering a further expansion of its operations in the U.S. Preliminary talks are under way with Geon Industries Inc., importers and distributors of replacement automotive parts, which may lead to an offer by Burmah.

It was emphasised by Burmah yesterday that the talks are at a very early stage and that an announcement had to be made to comply with regulations of the SEC in the U.S.

However, the price to be paid in the event of an offer would be in excess of Geon's market value prior to the announcement which was between $20m. (£8.55m.) and $25m. (£10.7m.).

Geon does not manufacture automotive parts and its activities are most closely aligned with the Partco division of Burmah's Quinton Hazell division. It operates through some 300 outlets throughout the U.S. and in 1972 earned $3.15m. (£1.35m.) pre-tax on sales of $40.0m. (£17.4m.).

While a takeover would be of advantage to the QH activities, it appears that Burmah also sees Geon as providing outlets through which its Castrol activities—at present relatively modest—could be expanded.

In its present form, Geon has expanded over the last 10 to 12 years. It is believed that the management of the company owns about 40 per cent. of the equity.

GIBBONS DUDLEY SELLS U.S. STAKE

Gibbons Dudley is to sell its investment in the U.S. to Salem Corporation of Pittsburg for approximately £750,000.

This investment comprises a 49 per cent. holding in Wilputte Corporation and also the holding of 50 per cent. share in Coaltek Associates.

Gibbons Dudley has received £350,000 as first instalment and will be paid a further £400,000 over next three years with interest at 8 per cent. In addition it has received £130,000 in repayment of a long-term loan made to Wilputte. Book value of the investment at end-1972 was £284,000.

CLARKE CHAPMAN AFRICAN MERGER

It is reported from Johannesburg that Clarke Chapman-John Thompson has agreed that its wholly-owned subsidiary John Thompson Africa (Pty) will be merged with T. and T. Holdings, in which Clarke Chapman as a 38 per cent. interest.

Subject to approval, it is anticipated that T. and T. will acquire the capital of John Thompson Africa for about 3.25m. T. and T. shares. The merger will be effective January 1.

DORADA PURCHASES FORD FRANCHISE

Dorada Holdings is acquiring its first Ford franchise by the purchase of Croft Bodybuilding and Engineering Company, a wholly owned subsidiary of United Engineering Industries.

Consideration is £850,000 cash. Net tangible assets of Croft were £817,000 and trading profit before interest and tax for the 11 months to July 31, 1973 came to £78,000, before profits applicable to the contract hire division which will be developed by Dorada. Sales of Croft, a Ford main dealership in Glasgow, exceed £3m. per annum.

JOHN McLEAN

Tarmac's offer for John McLean and Sons has been accepted by the holders of 5,805,421 Ordinary shares (83.04 per cent.). Tarmac now controls 89.00 per cent. of the capital.

The offer has now been declared unconditional. It remains open.

MACFARLANE GROUP

MacFarlane Group (Clansman) has agreed to acquire J. S. Gillespie and Sons of Paisley. Gillespie incurred a small loss in 1972 and a further loss is anticipated in 1973.

SUITS SALE

Scottish and Universal Investments has sold for £990,000 cash to Lewis and Black 66.66 per cent. of the capital of Wetherall Bond Street, W.1. and its subsidiaries with effect from October 1, 1973.

The Wetherall Group manufactures a full range of ladies coats, suits and dresses including the "Turnabout" range which are sold under its own name through retail outlets both in the U.K. and overseas.

Wetherall had net tangible assets in excess of £1m. as at September 30, 1973 and it has warranted that pre-tax profits for the six months ended on that date were not less than £70,000.

Cavenham wins control of Grand Union

By Guy de Jonquieres

NEW YORK, Dec. 3.

Mr. Jimmy Goldsmith's foods group, Cavenham, announced to-day that its $62m. (£26.3m.) cash bid for a 51 per cent. interest in Grand Union Company, the large U.S. supermarket chain, has found overwhelming acceptance among Grand Union's shareholders.

About 5.2m. of Grand Union's 6.4m. Common shares outstanding were tendered in response to Cavenham's offer of $19 per share.

Grand Union is Cavenham's first acquisition in the U.S. after two earlier unsuccessful attempts to establish an interest on this side of the Atlantic. The company has about 540 supermarkets on the U.S. East Coast and employs about 26,000 people.

In 1972 Grand Union had sales of more than $1,000m. However, in common with other companies in the sector, its earnings have suffered of late from a combination of accelerating inflation and competitive retail price cutting. Between 1970 and 1972 Grand Union's earnings per share fell from $2.42 to $1.40 and during the 12 months ending in August they fell again to $1.28.

Of the 5.2m. tendered, Cavenham's wholly-owned subsidiary, Cavenham (Overseas), will purchase on a pro-rata basis 3.2m. shares.

The offer terminated at 10 a.m. yesterday, New York time, and Cavenham stated that it would start payment for purchased shares and the return of shares not purchased as soon as practicable.

BET EXPANDS WASTE DISPOSAL

British Electric Traction Group has acquired the Kent-based C. T. Olley and Sons (Erith), waste disposal company, through group member Richard Biffa.

The acquisition is part of a major expansion programme by Biffa in conjunction with another BET company, Re-Chem International. It enables Biffa to provide comprehensive waste disposal services throughout London and the Home Counties from its High Wycombe, Croydon, Leighton Buzzard and Erith depots.

LION EXPANDS IN BELGIUM

The directors of Lion International announce that Mills and Rockleys, a subsidiary in the Mills and Allen Group, and its recently acquired Belgian subsidiary, Bernaerts, have together acquired the capital of a Belgian outdoor advertising company named Publicité Gilquin S.A. for a total cash consideration of £300,000. On accounting principles applied by Lion, total net assets of Gilquin at December 31, 1972, as adjusted, amount to approximately £166,000.

Gilquin owns some 720 poster sites, and shares a further 440 with an independent Belgian poster company. Some 450 of these sites are situated in the Brussels area, and the remainder throughout Belgium.

Mr. Jeremy Arnold, managing director of Lion, says the acquisition of Bernaerts has already proved extremely successful. The further acquisition of Gilquin "now makes us the second largest poster organisation in Belgium and marks a further important stage in our development in Europe."

ABERDEEN LAND

Greencoat Properties, offer for the Ordinary shares of Aberdeen Land Association has been further extended to December 14, when it will close finally.

The offer is not conditional on any minimum number of acceptances. Greencoat now owns 46.2 per cent. of the Aberdeen Land Ordinary.

GRAHAM WOOD

The Graham Wood Steel Group has agreed to purchase capital of Hotchkiss Engineers for £223,830, conditional upon the receipt of a satisfactory accountants report.

Consideration is to be satisfied as to 94,950 Ordinary shares, £42,850 cash, £100,000 unsecured loan note repayable in seven years with the right of the holders to call for redemption at the end of five. Interest is 10 per cent. per annum for the first 18 months and 11 per cent. thereafter, and £45,000 cash payable as to £30,000 in 12 months and £15,000 in 18 months in each case after completion, with interest at 10 per cent. from completion.

Hotchkiss carries on business as a manufacturer of air conditioning and ventilating ductwork at Eastbourne. The acquisition will constitute an entry by Graham Wood into the growth field of ductwork engineering.

FOTHERGILL & HARVEY LAPSES

The Board of Jones Stroud (Holdings) announces that insufficient acceptances having been received, its offer for Fothergill and Harvey has therefore lapsed.

O. C. SUMMERS

Mr. Konrag Legg, the former Jessel Securities director, is to join the Board of engineers and contractors, O. C. Summers (Holdings). This follows the acquisition by Warren Tea (Holdings)—where Mr. Legg moved on to the Board recently—of a 22.7 per cent. stake in Summers.

A statement by Summers yesterday revealed that discussions had taken place with Warren Tea regarding the purchase of the shares "which it is understood they (Warren Tea) regard as a long-term investment."

As a result, Mr. Legg has been invited to join the Summers Board with effect from January 1, 1974. Also following a general reorganisation of the Summers group, Mr. John Dick, managing director of Reliance Plant, and Mr. Derek Brown, managing director of O. C. Summers Ltd. are also to join the Board on the same date.

DOWDING & MILLS

Dowding and Mills is acquiring C. Horne and Company, a private company, in exchange for 312,300 Ordinary shares and £217,533 cash.

Horne's pre-tax profit for the year to October 31, 1972 was £86,493 and book value of net assets at that date totalled £380,222. Horne, from branches at Middlesbrough and Durham, carries on business very similar to that of Dowding and the purchase will enable Dowding to extend its service to the North East.

EDWARD HERBERT

Edward G. Herbert has acquired the capital of Lee and Hunt, machine tool distributors, of Nottingham. Consideration is £90,000 consisting of £83,100 cash and 11,500 Ordinary shares.

Net asset value of Lee and Hunt as at February 13, 1973, was £83,849 and the company for 1972-1973 disclosed a loss of £1,585 before tax after charging directors remuneration of £6,750 which will not reoccur.

This acquisition will expand the Hartle-Stedall distribution network.

DOBSON PARK

Dobson Park Industries has purchased Atlas Sheet Metal Works of Nottingham for £63,000 cash. Pre-tax profits of Atlas for the year to March 15, 1973 were £20,427 and net assets £55,400.

LESLIE & GODWIN

Leslie and Godwin (Holdings) has acquired the capital of G. and J. Miller, incorporated insurance brokers of Glasgow, for £234,800 cash.

It has also purchased Fred. Cullen and Co., incorporated insurance brokers (Ireland), of Limerick, for £78,000 cash.

ASSOCIATES DEALS

On Friday Fuller and Co. sold 14,300 Hodge Group at 52½p for associates.

Henry Cooke Lumsden bought 7,500 N. Brown Investments at 30½p on behalf of an associate of N. Brown Investments.

L. Messel bought 22,500 J. and E. Sturge at 79p on behalf of Croda International.

Hill Samuel announces that Eagle Star Pension Fund bought in the market 5,000 Bernard Sunley at 428p, 5,000 at 429p and 255,000 Groveword Securities at 54p.

Avon/RFD defer negotiations

A possible bid by Avon Rubber Company for RFD Group, the company which makes life-saving equipment and parachutes, has been deferred until next year. This is to allow publication of RFD's half year results and forecast for its current year before any final decision on a deal.

It was on November 6 that Avon announced that talks were under way which might lead to a bid being made. At that time, RFD shareholders were advised to take no action as regards their shares.

At the same time, RFD disclosed a £620,000 takeover of Tranmere, a private concern processing synthetic yarns and supplying RFD's subsidiary, Perseverence Mill.

Yesterday, an announcement stated that preliminary discussions had taken place and that it had been agreed that financial implications of a bid could not be fully considered until RFD's interim results for the six months to September 30, 1973, were available in mid-January, 1974, when RFD would be in a position to make a forecast for the full year to March, 1974.

Further talks had therefore been postponed until such results were available.

Avon already owns 26 per cent. of RFD's equity, although this will fall to 22 per cent. if RFD's offer for Tranmere is accepted in full.

At yesterday's closing price of 34p, RFD is capitalised at just over £3.9m. The share price was 29½p on the day of the original announcement.

VICKERS TO PAY £1M. FOR DAWSON AND BARFOS OFFSHOOT

Agreement has been reached between Vickers and Dawson and Barfos for the purchase by Vickers of Dawson and Barfos Manufacturing. This constitutes the major part of the engineering division of D and B, and comprises the manufacturing businesses at Gomersal and Thetford where the principal products are machinery for the brewery, soft drinks and dairy industries.

The consideration is £1m. cash, subject to an audit of the balance sheet at November 30 1973.

This purchase represents a further step by Vickers to expand and strengthen its position in the manufacture of bottling machinery and allied equipment. It will also ensure that adequate resources are available for maintaining and strengthening D and B.

The D and B directors will issue, as soon as possible, a circular letter to shareholders giving further information and convening an extra-ordinary meeting at which holders will be recommended to vote in favour of the transaction. The sale will also require approval of the Trustees of the D and B 7¼ per cent. Debenture stock.

COLUMBUS-GEO. WHITEHOUSE

Columbus Trust announces that its offer to acquire 980,000 Ordinary 10p shares in George Whitehouse (Engineering) closed at 3 p.m. on November 30, when acceptances had been received from 321 shareholders holding 409,898 (20.5 per cent.) Ordinary shares.

This brings the total number of shares held by Columbus in Whitehouse to 1,329,898 (66.5 per cent.), together with an option to acquire a further 100,000 (5 per cent.) Ordinary shares.

Following the agreement between Columbus Trust and Edward Bates and Sons, Edward Bates is placing 129,898 (6.5 per cent.) of the Ordinary shares in the above.

PITNEY-BOWES

Krag Maskinfabrikk of Oslo, has agreed with Pitney-Bowes to cease the manufacture of stamp cancelling machines, including the recently developed Krag Model 30 cancelling machine.

Pitney has appointed Krag as its distributor for the sale and service of cancelling machines in Norway. Manufacture of the Krag Model 30 cancelling machine will be transferred to the U.K.

Arrangements have been made for Krag to complete outstanding orders as well as to maintain the supply of spare parts to existing customers. All new orders will be executed by Pitney.

Cancelling machines are used by Post Offices around the world for cancellation of postage stamps. Both Krag and Pitney companies have been supplying Post Offices with stamp cancelling machines for over 50 years.

Curtiss offer for 20% of Airco

By Guy de Jonquieres

BRITISH OXYGEN is expected to move quickly with a bid for the U.S. industrial gas concern, Airco Inc. following a surprise offer by the Curtiss-Wright Corporation to-day.

Curtiss entered a $43m. bid for a 20 per cent. interest in Airco. The cash offer of $18 a share for 2.4m. Airco shares came as discussions of a possible $200m. take-over by BOC appeared to be reaching a critical stage.

BOC said to-night that it was reviewing the new development. It is felt, however, that the bid—expected within the next few weeks—will now be exploited.

The Curtiss bid is about $1 more per share than the price BOC is understood to have been tentatively discussing with Airco for all or part of the latter company's shares. By early afternoon, news of the Curtiss bid had sent Airco's share price on the New York Stock Exchange up $1½ to $14½.

Officials at Airco expressed surprise at the news, which points to a sudden and unexplained change of mind by Curtiss-Wright, a diversified producer of nuclear components, industrial products and aero-space systems, which holds the U.S. licence rights for the Wankel rotary engine.

Curtiss and BOC have been identified as the two companies which Airco said last month had approached it with a view to a possible merger. About ten days ago, however, Airco disclosed that the potential BOC rival had informed Airco that it was no longer interested in merger talks.

In 1972, Curtiss-Wright reported sales of $256m. compared with Airco's $492m.

LAND AND HOUSE PROPERTY

In a reorganisation of its Australian interests, the Land and House Property Corporation proposes that it will purchase the 25 per cent. shareholding in Elwick Holdings Pty. owned by Evington Holdings Pty. for $A104,700 (£65,000). Land and House will also subscribe $A2.92m. (£1.82m.) for 2.92m. additional $1 shares in Elwick, the necessary funds being provided from existing loans by Land and House to Elwick.

Subsequent to these arrangements, Elwick has agreed to issue 3.07m. further shares in exchange for the entire capital in Evington, valuing Evington at $A3.07m (£1.91m.). After this, Land and House and the shareholders of Evington will each own 50 per cent. of Elwick.

Elwick's net tangible assets at June 30, 1973, amounted to $A132,797 (£82,500) after allowing for a profit in the year to that date of $A47,054 (£29,200). With the further capital subscribed by Land and House, adjusted net assets at June 30, 1973, were $A3.07m. (£1.91m.).

Evingtons estimated net assets at the June 30, 1973, matched Elwick's at $A3.07m. Its net tangible assets at June 30, 1973, amounted to $A310,053 (£192,000) and the net profit for the year to the same date was $A125,792 (£78,000).

ANGLO-SWISS

In August the directors of Anglo-Swiss Holdings announced that approaches had been made which could result in an offer for the Ordinary capital.

Since then there have been discussions with a number of interested parties. However, no offer has been made which the directors have thought appropriate to recommend.

P. PANTO

P. Panto and Co., the tobacconists concern, has taken over the old-established firm of W. Hume and Son of London N.22.

Yarrow well poised to expand

PRESENT INDICATIONS are that current year results of Yarrow and Company, Glasgow based shipbuilders and boilermakers, should compare favourably with those of 1972-73, states chairman Sir Eric Yarrow.

The company is well poised to expand and in areas where its specialist knowledge and experience are "a most valuable asset" a number of wide-ranging possibilities are at present under active review both in connection with North Sea oil and also in other areas.

As reported November 20 group profit expanded from £888,606 to £3,456,908 in the year ended June 30, 1973. The dividend is raised from 7 to 10 per cent.

Sir Eric explains that the considerably increased profit was due to both the successful performance of Yarrow (Shipbuilders), which has order books of about £100m., and large increases in shipbuilding construction grants and investment income.

Additional grants of about £2m. will benefit future years. The company is continuing the practice of only taking profit into account when work has been completed or is nearing completion.

Exploratory discussions are going on with the Ministry of Defence, over the possibility of earlier repayment of all or part of the loans to the company from the Shipbuilding Industry Board, should circumstances be "commercially appropriate."

At Yarrow (Shipbuilders) work is in hand to improve the riverside fitting-out berths to accommodate more ships, and ships of greater draught. Other plans for further capital expenditure, aimed at increasing efficiency are being prepared.

The chairman says that there are encouraging signs of a reasonable overseas demand for the type of warship in which the company specialises but competition, from European countries, in particular, is severe.

The Yarrow frigate, built for the Royal Thai Navy was favourably received. The two Leander Class frigates for Chile are progressing well and are in the later stages of fitting out. Delays on the five Type 21 frigates for the Ministry of Defence (due to lack of technical information) are outside the company's control, and the Ministry has indicated that it will compensate the company for these delays. The first order for the new class of frigate, the Type 22, is expected to be placed by the end of the year, Sir Eric tells members.

Yarrow's marine consultancy and research company, Y-ARD, expanded its operations during the year. Y-ARD's aim has been to expand its civil and industrial as well as its service workload. The chairman also reports expansion in the controls and computing group, and the merchant ship group is "being increasingly sought by contractors directly involved in North Sea oil activities."

The reduction in workload at Yarrow Engineers (Glasgow) has placed a considerable overhead burden on existing contracts, and there has been little indication of an upsurge in land boiler orders. The company made a small loss for the year.

Regarding the Ministry of Defence contracts for five frigates the directors state in the notes to the accounts that they consider there is no requirement for any loss provision to be made in respect of any of these contracts. The auditors say they are not in any position to form an opinion on this matter.

Meeting, Glasgow, Dec. 27, at 3 p.m.

Chairman's statement Page [illegible]

UNIT TRUSTS

S & P ITU

The half-yearly report of Save and Prosper Securities' Investment Trust Units Fund shows that the total distribution for 1972-73 is significantly higher than the previous year's at 49p per 100 units compared with 40p. This reflects the higher level of dividend payments by many of the trusts in the portfolio, increased interest rates on liquidity and the new lower basic rate of tax.

Investment trusts had a slightly better time over the half-year to October 15 and the offer price of ITU rose by 0.78 per cent. against a 1.35 per cent. rise in the F.T. Investment Trust Index and a decline of 3.89 per cent. in the All share Index. However, taking last Friday's level the Investment Trust Index was showing a 32 per cent. drop on a year ago: and I.T.U. has lost a lot of ground during 1973 even though it is still the unit trust industry's giant—standing at £142.68m. at the end of the period, after taking account of £16.24m. of unrealised depreciation since that date.

Portfolio dealings were very active during the six months period on both the purchases and the sales side.

VAVASSEUR ITU

In the six months to October 15, 1973, the offer price of Vavasseur Investment Trust Units rose by 2.2 per cent. During the last year the units have outperformed both the FT All-Share Index and the FT Investment Trust Index by well over 8 per cent. But there was still a fall of 23.2 per cent. in the value of units for 1973 up to November 30 according to G. S. Herbert's statistics—roughly in line with Save and Prosper ITU.

The distribution for the period from April 16 to October 15, 1973, is 0.24p per unit (0.343p with the tax credit) significantly higher than for the corresponding period last year (0.5p). At October 15 the value of the Fund was £692,000.

ALLIED HAMBRO

The Allied Hambro Group has announced that the income distribution of Electrical and Industrial Development for the accounting period ended October 7, 1973, is 0.4724p net per unit. The distribution for the corresponding period in 1972 was 0.3289p net per unit.

The net distribution of Metals, Minerals and Commodities for the period ended October 20, 1973, is 0.5675p net per unit. After adjustment for tax charges the current payment is approximately 30 per cent. higher than for the comparable period last year.

BARBICAN EUROPEAN

Transatlantic and General Securities Company has announced that the interim distribution on units of Barbican European (Exempt) Trust for the period May 30, 1973, to May 28, 1974, will be 0.700p net per unit.

COMPANY NEWS IN BRIEF

CLEVELAND TRUST (land and property)—Final dividend 2.1p per 11 share making 4.2p net for year to September 30, 1973 equal to previous gross 6 per cent. Group profit £74,892 (£50,492) less tax £17,000 (£12,000), leaving £17,892 (£38,492). Dividends £5,856 (£5,478), to general reserve £15,000 (£20,000), forward £1,476 (£2,620). Property sale profits at 18,192 (£16,773) again exceptional—arising largely from compulsory acquisitions—and must be used as far as possible to replace assets realised. Group fixed assets £131,732 (£140,827) and net current assets £32,302 (£7,196). Company is "close." Meeting, Middlesbrough, December 14 noon.

LE VALLONET INVESTMENT TRUST (Eldridge Stableford has 41 per cent. of the share capital)—Quoted investments at August 31 £631,427 (£754,233). Net current assets £162,903 (£17,943). Company has conditionally agreed with Wallace Bros. Sassoon Bank to purchase initially 90 per cent. of Ordinary share capital of Extract Wool Holdings. Chairman says directors continually considering other possible avenues for investment. Meeting, St. Helier, Jersey, December 19, at 3 p.m.

W. J. PYKE (HOLDINGS) (butchers)—Results for year to June 30, 1973 reported November 9. Group fixed assets £310,370 (£171,371). Current assets £772,372 (£525,844) and liabilities £587,472 (£348,502). Cyril Horvitz (U.K.) holds 69.15 per cent. of issued share capital. Meeting, 16, Berkeley Street, W., December 28, noon.

SIDROY (clothing makers in the UU Textiles group)—Results year ended June 30, 1973 reported November 17. Group fixed assets £731,472 (£739,776). Net current assets £919,810 (£897,039). Current order books at record levels and "we can now look forward to a period of profitable growth," says the chairman. Meeting, Leicester, December 21, at 3 p.m.

TOWN CENTRE SECURITIES—Results year to June 30, 1973 property revaluation details and scrip issue proposal reported October 31. Group fixed assets £26.64m (£11.27m.). Investments £236,759 (£300,342). Current assets £239,196 (£797,543), liabilities £2,295,152 (£3,107,805). Meeting, Leeds, December 19, at 2.30 p.m.

THOMAS HARDMAN AND SONS (heavy industrial fabrics)—Interim 0.77p net, equal to 1.1p gross (1p—total 2.1p). Half year to October 6, 1973, £46,550 (£40,726), less tax £21,500 (£16,500). Volume of trading so far in current financial year has been held at a satisfactory level, directors state.

CLYDE BLOWERS—Results year ended August 31, 1973, reported November 12. Group fixed assets £263,269 (£236,723). Current assets £1,030,522 (£867,143), and liabilities £821,144 (£685,878). Chairman says business is very good but there is difficulty in obtaining material from suppliers. There is an improvement in forward orders and he is reasonably hopeful that current year results will be as good as those of 1972-73. Meeting, Clydebank, December 21 at 11 a.m.

POCHIN'S (building and civil engineering contractors)—Results year to May 31, 1973, reported November 20. Group turnover £5.95m. (£4.82m.). Fixed assets £0.58m. (£0.55m.). Net current assets £0.25m. (£0.26m.). Order book at satisfactory level and trading to date in line with expectations, says chairman. Meeting, Middlewich, December 21, noon.

CUMULUS INVESTMENT TRUST—Results, year ended October 10, 1973, reported November 10. Group investments £4,280,705 (£5,826,344)—unrealised net appreciation £956,245 (£921,256). The company's aim is to have a thoroughly flexible portfolio, chosen from stocks throughout the world, and it is hoped to have achieved this by the end of the current year. Meeting, 20, Fenchurch Street, E.C., December 20, at 11 a.m.

ROSEHAUGH COMPANY—Results year D. B. W. Chambers to stand down after assets £262,901 (£17,495). Company has ing, St. Helier, Jersey, December 15.

GOLD AND BASE METAL—October: Output of concentrates (72 per cent. grade): figures in metric tons: Tin 45, Columbite 2½. Ten months to date: tin 470, columbite 7 (same period 1972, tin 322, columbite 20).

ELECTROLYTIC ZINC—Four weeks ended November 14: Risdon Works: Zinc 15,723 tonnes. West Coast Mines: Ore treated 44,813 tonnes. Lead concentrate produced 1,683 tonnes. Zinc concentrate produced 11,037 tonnes. Copper concentrate produced 1,262 tonnes.

CARTONS (agricultural seedsmen)—Net profit 10 months to April 30, 1973 £25,972 (£8,596 year to June 30, 1972) after crediting dividend £25,000 received from associate. Deduct tax £7,500 (nil). Pre-acquisition profit transferred to reserve £17,500 (nil). Debit forward £102,673 (debit £93,971).

W. E. YATES (worsted spinners and manufacturers: subsidiary of Troydale Industries)—Dividend 33.52 per cent. year to September 30, 1973 (36.2 per cent.). Group profit £67,536 (£53,473) after tax £39,939 (£20,100). Attributable £56,650 (£32,348).

NEWMAN GRANGER INDUSTRIES (makers of screw-threaded jacks, etc.)—Results year ended July 31, 1973, reported November 9, together with prospects. Fixed assets £750,425 (£515,704). Net current assets £119,280 (£141,111). Meeting, Nottingham, December 21 at noon.

PHOENIX PRINCE GOLD MINING—Results year ended March 31, 1973, already known. Fixed assets £31,642 (same). Net current assets £73,066 (£72,129). Globe and Phoenix Gold Mining held 32.91 per cent. of Ordinary shares at November 30, 1973. Meeting, 20, Aldermanbury, E.C., December 31, noon.

TAN SAD HOLDINGS (makers of invalid chairs and baby carriages)—Results year to July 31, 1973, and observations on prospects reported November 26. Group fixed assets £534,294 (£277,508). Net current assets £195,763 (£252,496). There is a compensation payment of £1,730 for loss of office. Meeting, Tipton, December 20 at 10 a.m.

MORLAND AND CO. (wine and spirit merchants)—Results year to September 30, 1973, reported November 21. Group sales rents, etc. £3.82m. (£3.32m.). Fixed assets £1.92m. (£3.71m). Net current assets £0.35m. (£0.47m.). Meeting, Abingdon, December 21, at 12.30 p.m.

DUCKWARI TEA AND RUBBER ESTATES—Results 1972 reported November 19. Estates £57,778 (£57,548), investments £10,292 (same). Current assets £106,631 (£88,639). Current liabilities and provisions £45,247 (£42,909). Trade Facilities holds 56,000 Ordinary shares. Meeting, Southend-on-Sea, December 21 at 11 a.m.

MINING NEWS

Another outcry down under

BY LESLIE PARKER, MINING EDITOR

THE FACT that Australia's Labour government has been having second thoughts about some of the punitive measures which it originally inflicted on the country's mining industry has not entirely stifled the latter's criticisms of official policies.

The latest outburst comes from Mr. E. H. Wheatley, chairman of Hill 50 Gold, who regards the Federal Government's restraints on the industry as "over-reactionary, over-restrictive and unrealistic."

He affixes the term over-restrictive to measures clamping down on foreign ownership of minerals; unrealism to the use of incoming capital; and over-reactionary to the official views on mining in Aboriginal reserves. He says that these handicaps are in addition to successive currency realignments which have meant a 30 per cent. reduction in the revenue from free gold sales.

Overseas funds

Mr. Wheatley is of the opinion that Government measures have virtually redefined the mineral industry and placed it in the same category as those industries which either explore large areas or produce from a "wasting asset." This he reckons will inhibit the search for and the production of minerals.

He concludes that Australia must encourage investment from abroad because the country itself is not capable of providing the large sums necessary to increase mineral exports, to the targets originally envisaged or, one might say, to those which even the present regime may find of vital financial necessity eventually.

The 40-year-old Hill 50 itself needs a "sensible federal attitude" if its future expenditures are to be justified. Its properties are in Western Australia and their productive life, as with those of other mines there, must depend vitally on what tonnages of payable ore are allowed them by whatever tax policies the authorities eventually decide upon.

LATEST GOLD DRILLING

In the latest spate of borehole results from the revival of gold exploration in South Africa some encouraging values are reported by President Brand from borehole SAP 9 in the Free State Saaiplaas subsidiary's lease area. Two deflections of the drill have given gold vales of 2,761 centimetre-grams (835 inch-dwts.) and 1,666 cm-g respectively at a depth of 1,670 metres.

Drilling at the Freddies Consolidated property, which is jointly owned by Free State Geduld and Western Holdings, has given up to 1,427 cm-g in Leader reef at a depth of 1,463 metres from incomplete cores.

Western Deep reports a value of only 681 cm-g from the eighth deflection of hole UD 25 in Ventersdorp Contact reef at the south-western corner of the mining lease area. An even lower value of 119 cm-g has been obtained by Western Ultra Deep from a core pulled in a fourth deflection of UD 27 in Ventersdorp Contact reef, some 1,900 metres south of the south-western corner of the Western Deep boundary on Farm Buffelsdoorn in the Deelkraal area.

COPPER HOPES IN PNG

The following are the latest assay results from the Yanderra copper prospect near Lae in Papua-New Guinea as announced by Australia's Buka Minerals and Triako Mines which are conducting a joint venture there with an exploration offshoot of America's Kennecott Copper.

The latest hole has given 792 feet of continuous mineralisation averaging 0.566 per cent. copper taking a 0.2 per cent. cut-off and 950 feet giving 0.498 per cent. This was from 207 feet. It is stated that about 197 feet in the hole runs parallel with the surface owing to an identation. So the first 207 feet are not included in the data.

Some gold, silver and molybdenum contents have also recently been reported and the directors have described the results as "encouraging." Kennecott has already spent over $2m. on the venture.

AUSTRALIAN ANTIMONY

With world prices of antimony concentrate continuing to rise, Australian Antimony Corporation states that it has taken further action to develop the Wild Cattle Creek antimony deposit at Dorrigo in New South Wales.

New work has begun on 2 and 3 levels and exploratory development is being completed to assess the viability of an open-cut operation inselected areas. It is added that the directors are "confident that the potential profitability of the antimony operation is such as to provide excellent profit levels in the current financial year." It was brought to production in mid-year.

In London yesterday Australian Antimoy shares were unchanged at 11p.

Inco in Brazil

NOW that Australia has at least partially closed the door to them, the international mining companies are looking to other "new" areas for mineral development and the further exploration that this makes possible. Of the choices that are open, the potential of Brazil has long been considered attractive and now comes news of a possibly big nickel venture in the state of Goias, some 120 miles west of Brasilia.

Canada's giant International Nickel is in an equal partnership there with a German consortium composed of Metallgesellschaft and Exploration und Bergbau. They are to carry out a feasibility study of the lateritic nickel deposits at Barro Alto. The third partner is Brazil's Baminco Mineracao e Siderugia which holds rights to acquire the mining concessions. Should the project go to the development stage it is expected that the Brazilian participation will be enlarged.

Baminco has spent some $2.6m. (£1.1m.) since 1970 in geological and metallurgical work at the deposits which are clearly big enough to support a mining operation. These investigations are now to be stepped-up and a bulk sample of ore is to be shipped next year to Inco's Port Colbourne, Ontario, research stations for pilot plant testing.

CRA's SHARE ACQUISITIONS

An offer from U.K. interests of 3.28m. shares in NBHC Holdings at a small discount on the market price has been accepted by Conzinc Riotinto of Australia. Now that NBHC is being liquidated and its assets are being passed on to shareholders, the deal will result in CRA acquiring a further 2.73m. shares in Bougainville Copper and 2.28m. shares in Australian Mining and Smelting.

The CRA stake in Bougainville thus rises by 1 per cent. to 53.6 per cent. and that in AM and S is increased by 1.9 per cent. to 73.5 per cent. In London yesterday a spokesman for the Rio-Tinto-Zinc group declined to comment on the identity of the U.K. interests who have sold the shares nor could he disclose the price at which CRA had acquired them. Respective closing prices yesterday were: CRA 205p, Bougainville 130p and AM and S 105p.

RECENT ISSUES

EQUITIES

Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
F.P.	30/11	47½	41	Archimedes Inv. Inc.	41	.....	Q18	—	10.8	—
F.P.	30/11	67	58	Do. Cap 50p	58	.....	—	—	—	—
F.P.	—	£205⅝	£201¼	Baker Oil Tools ($1)	£205⅝	+⅛	$0.37	—	0.7	—
F.P.	—	690	690	Brown'g-F'rraIndsInc	690	.....	12c	—	0.7	—
F.P.	—	£245⅛	£211⅛	Carborundum $3	£211⅛	−1⅛	$1.55	—	2.9	—
F.P.	4/1	86	73	Christies Intl. 10p	79½	−½	24½	2.0	4.2	17.9
F.P.	—	£19⅝	£14⅛	Columbia B'g Sys$2.50	£14⅞	.....	$1.46	—	4.1	—
F.P.	—	£21¼	£19	C'p'n'hnlla'd'bk'B'-B	£19	.....	s11	3.0	4.1	8.0
F.P.	—	£25	£21¼	Distill'rsCrpSgrm.C$1	£21¼	−⅛	$1.20	—	2.3	—
F.P.	—	£215⅛	£17⅛	Dover Corp. US$1	£17⅛	−⅝	$1.04	—	2.6	—
F.P.	16/11	£35⅝	£32	General Elect. Co.	£33⅝	−¼	$1.60	—	2.0	—
F.P.	—	£19¼	£15⅛	Guard. Mort. Invs. II.	£15⅛	−¼	$4.09	—	10.7	—
F.P.	28/11	60	37	Hanover Grand (5p)	41	.....	19.9	2.0	3.5	21.0
F.P.	4/1	36	32½	L.K. Ind. Inv.	32½	−½	7.8	1.7	8.5	9.9
F.P.	29/8	38	35	Ley's Foundries	37	−1	b9.8	1.7	10.0	8.1
F.P.	—	107	82	Mooloya Invs. (£1)	104	−1	—	—	—	—
F.P.	18/6	143	108	Nth. Brit. Prop. (Cap)	111	−1	—	—	—	—
F.P.	—	240	186	RTZ(Accum)	195	+1	—	—	—	—
F.P.	—	120	100	Rapp & Maister (5c)	100	.....	Q$15	‡1.5	4.4	15.1
F.P.	—	£23	£18¼	St.-Gobain Pm. (Fr.75)	£18½	.....	Q9½	3.3	0.4	82.3
F.P.	—	540	665	Saul(BF)Inv. Tst. $10	680	−5	—	—	—	—
F.P.	—	21	16	Totalisator & Grey. 5p	16	.....	Q14	2.3	4.0	15.6
F.P.	—	£215⅛	£19¾	Warner-Lambert US$1	£20⅞	.....	$1.44	—	2.8	—
F.P.	14/12	45	36	Winston Estates	36	−½	63½	1.0	3.4	40.2

FIXED INTEREST STOCKS

Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price	+ or −
P.P.	14/12	4½	1	Anglo T'vaal Ptg. Pretd.	1pm	.....
F.P.	—	78	76	Argyle Secs. 11% Prtly. Cnv. 93/98	75	.....
P.P.	30/11	83	80	Bristol Street 10½% Cnv. Uns. 93/98	80	−1
F.P.	8/1	89	82	Brit. Match 10% Cnv. 93/98	92	.....
P.P.	—	96½	94	Cap & Cnts 9% $ Bds. Guar. 1988	94	.....
F.P.	—	102	99	Edin. Corp. 9% $ Bds. 1981	102	.....
P.P.	24/5	94½	83	Grendon Trust 11% Uns. 78/81	83xd	−1
F.P.	27/12	102¾	98	Inchcape 12½% Uns. Ln. 93/98	98½	.....
F.P.	30/11	102	96	Jessel Secs. 7.7% Cnv.Cum. Red. Prf.	96	−1
P.P.	1/12	$97½	$85	Met. Estates 8¾% $ Bds.	$90	.....
F.P.	—	95½	93	Mexico(Utd.Mexican States of)8¾% Bds.1991	95½	.....
F.P.	—	$99	$98	Nat. Coal Board 8¾% Gtd. Bds. 1988	$98	.....
F.P.	—	88¼	68	Rolls-Royce Motors 8% Cnv. Uns. Ln. 97/2002	68	−1
F.P.	—	97	95	Staffs.Potts.Water Board 11¾% Red.Deb.1981	95	.....
F.P.	30/11	91½	87½	Sunderland & Sth Shields Wtr.10½% Red.1983	87½	.....
P.P.	23/11	129	100½	Tower Assets 10% Conv. Loan 1983	119	.....
F.P.	—	$97½	$97	Utd. Dom. Tst. US$8½% Cap. Bds. 1988	$97	.....
£10	—	6	5	West Kent Water 7% Red. Pref. 1978	5¼	.....

"RIGHTS" OFFERS

Amount Paid Up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	Stock	Closing price p***	+ or −
nil	12/12	—	Comm. Bk. of Sydney	24p	.....
nil	—	—	Dougare & General Comb. Units	2pm	.....
nil	17/2	—	Peak Invs.	nil	.....
F.P.	30/11	—	Supura Invs.	16	.....
58	—	—	Woodside-Burmah	74	−2
nil	—	—	Wyndham Eng.	4pm	.....

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital; cover based on dividend on full capital. p*** Pence unless otherwise indicated. J Figures based on prospectus or official estimates for 1973. T Figures based on prospectus or other official estimates for 1971. P Figures based on prospectus or other official estimates. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ✻ Offered to holders of ordinary shares as a "rights." ♥ Issued by way of rights. ✱ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to former preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. $ With warrants.

"Satisfactory" first half for Bremner

Glasgow-based general warehousemen, Bremner and Co., reports first-half profit up slightly from £229,553 to £231,972. The figure for the year to January 31, 1973, was £616,444.

Net profit for the six months was £147,972 (£142,552) after tax of £84,000 (£87,000). A sum of £19,000 (nil) is transferred to tax equalisation reserve. The directors state they consider the results to be satisfactory.

An interim dividend of 0.875p net, equal to last year's 1.25p gross per 25p share, is declared, costing £48,300 (£69,000). The 1972-73 gross total was 4.265625p.

Statement Page 28

WINDING-UP ORDERS

Mr. Justice Brightman in the Companies Court yesterday made orders for the compulsory winding-up of the following companies:

Lonetree Properties, Carvel Hall Tours, Trophy Developments, S. J. Alder and Co., Airo-Slim Windows and ECE Electrical Contractors.

Horseplay, Wade and Wilson, Inearn Investments, King Cabs (Southall), Dave's Surgical Supply, South Western Homes and Richmond Fine Arts and Ceramics.

NORWEST HOLST FORMS OFFSHOOT

Norwest Holst has formed Norwest Espanola SA, in which Banco De Noroeste has an interest.

NE will cary out development schemes in Spain. Two major projects with a total value of about £8m. have already been initiated.

SUTER ELECTRICAL MOVES

Further steps in relation to Mr. J. H. G. McMahon and International University Publications have now been taken by the Board of Suter Electrical, in addition to those referred to in the directors' report of November 15.

In a statement, the Board says that these steps include a formal request to Mr. McMahon to resign as a director of Suter. The directors' report with the 1972-73 accounts stated that Mr. McMahon's appointment as chief executive of Suter had been revoked by the Board with effect from October 2, 1973.

A petition has also been presented by Suter for the winding up of International University, a company in which Mr. McMahon is believed to have an interest.

It is also stated that Suter has agreed to sell, subject to contract, the under lease of its premises on the 12th floor of Management House, Parker Street, W.C.2, and that notice has been given to International University to vacate such premises on or before December 10.

Mr. McMahon has a controlling interest in Suter through a holding of 53 per cent. of the shares. He is offering himself for re-election at the coming annual meeting on December 13, along with three other directors, Mr. R. Robertson, Mr. J. S. McElroy and Mr. R. Schofield. The chairman, Vice-Admiral Sir Charles Hughes-Hallett is not standing for re-election.

C.C.H. INVESTMENTS

In view of recent acquisitions CCH Investments has changed its year-end to March 31.

The 1972-73 financial period is being extended to March 31, 1974, and the next accounts will cover 17 months.

Because of recent expansion and to accommodate the proposed convertible loan from J. Lyons and Co., it is proposed to increase the authorised capital to £2m. by the creation of an additional 2m. Ordinary 25p shares.

Alliance Party lines up with Unionists on major issues

BY RHYS DAVID

BELFAST, Dec. 3

THE ALLIANCE Party, frequently the "forgotten" partner in Northern Ireland's new executive, made it clear to-day that its negotiators in the tripartite talks later this week on the Council of Ireland can be expected to line up with the Unionists on several issues.

The party leader, Mr. Oliver Napier (who is in hospital and may not be able to attend the talks) has warned that Alliance will also press for the Government in the Republic to give some form of recognition to the constitutional position of Northern Ireland, and to agree that this position can only be changed by a vote of the people in the Province.

Effective

Mr. Napier stated: "There will not be a Council of Ireland which in any way undermines Northern Ireland's position in the U.K., because the Alliance Party will not agree to it."

Alliance is also demanding that the Irish Government spells out details of the more effective steps it intends to take to eradicate political violence by the IRA.

The party is supporting, too, the principle that all decisions in a Council of Ireland should be unanimous, and that no powers be given to the council except by full and free consent. It makes the further demand that there should be no political strain attached to economic and social co-operation between North and South.

Mr. Napier's statement will be seen as an attempt to allay the considerable fears existing among many people on the majority side of the community that the Council of Ireland is a half-way house to a united Ireland. These fears are certain to be whipped up again at a specially convened conference to be held here on the day the talks begin.

Mr. Napier suggests the Council of Ireland should be an inter-governmental Council of Ministers which can advise the legislatures, North and South, on a wide range of common problems and itself control and co-ordinate certain limited functions — in particular tourism, agriculture and electricity.

Unionist leaders have also been indicating over the weekend their expectations from the tripartite talks, but have gone much further than Alliance in appearing to rule out certain elements which the SDLP and the Dublin Government are bound to want to see in any overall package.

In particular, Mr. Brian Faulkner, the Unionist leader, and Lord Brookeborough, the party's spokesman at Westminster, have both said the Council cannot have a role in judicial matters; they have turned down the suggestion of a common law enforcement area put forward by Dr. Garrett FitzGerald in talks with Mr. William Whitelaw in London last month.

They have also said the council cannot exercise any control, even indirectly, over the police in Northern Ireland.

Economic

In the law and order field, Mr. Faulkner has said the Council's job as he sees it will be to discuss progress in the elimination of terrorism, and provide for an exchange of views of possible further measures.

The pre-negotiation position now being adopted by the Unionists is that the only kind of Council which they will be able to sell to their supporters is one which exists primarily to achieve co-ordination in social and economic matters between the administrations in the North and the South, and which will help in the promotion of mutual tolerance and understanding.

Mr. Whitelaw returned to the Province to-night to say his farewells to officials, following his appointment on Sunday as Employment Secretary in London. His successor, Mr. Francis Pym, is expected to visit the Province to-morrow.

INTERNATIONAL COMPANY NEWS + EURO MARKETS

Montedison fibres unit to issue convertible bonds

BY ANTHONY ROBINSON

ROME, Dec. 3.

MONTEDISON AND the State-controlled special credit institute Mediobanca have announced a capital increase-cum convertible bond issue on behalf of Montedison's synthetic fibre subsidiary Montefibre. This comes hard on the heels of a similar operation by Mediobanca on behalf of Snia Viscosa and is part of an extensive re-financing of Italy's two major synthetic fibre producers.

Montedison shareholders will be offered L35,000m. of 7 per cent. bonds, convertible from 1980 onwards into shares of Montefibre. In the meantime Mediobanca will lend Montedison the L35,000m. on the strength of the 175m. preferential Montefibre shares to be deposited with Mediobanca's Spafid subsidiary for eventual conversion.

The operation is due to take place in February when Montedison shareholders will be offered one L2,000 convertible bond for every 50 Montedison shares held. Each bond will be convertible starting from 1980 into ten nominal L150 Montefibre shares plus L500.

Compared with current market prices for Montefibre shares (L220 to-day in a generally depressed market), the terms of the convertible share issue should ensure the possibility of a market in options. Taken together with the yield from Montedison's earlier Gemina and Fingest operations this possibility will secure another indirect return to Montedison shareholders even if the parent company passes the 1973 dividend, as it has for the past three years.

But the rapid recovery experienced by the Montedison group as a whole this year has raised the possibility that the group could break even or even make a small operating profit this year. Much now depends on the way the fuel and energy shortage affects both the supply of raw materials and the future growth prospects of the Italian and foreign economies.

Over the first 10 months of 1973 however Montedison group turnover has shown a massive 23.8 per cent. growth to L2,042,000m. together with a marked improvement in operating efficiency and profitability. This 10 month turnover compares with a group turnover of only L2,100,000m. for the whole of 1972, which was only 4.1 per cent. over the 1971 figure.

Norsk Hydro agrees to petrochemical plan

BY FAY GJESTER

OSLO, Dec. 3.

REPRESENTATIVES OF Norsk Hydro, Saga Petrokjemi and Statoil (the Norwegian state oil company) to-day accepted the government's plans to link them in a joint petrochemicals venture to exploit the gas condensates from the Ekofisk field, in Norwegian waters.

Under the scheme, one company will be formed to build an ethylene cracker at Bamble, in Telemark, and another to further process the cracker's output. In the Bamble company, Norsk Hydro will hold a majority of the shares—51 per cent—while Statoil will have 33 per cent. The Saga Petrokjemi group, backed by a number of Norway's leading industrial concerns, will hold the remaining 16 per cent.

In the other company, each of the partners will have a one-third share. It has not yet been decided where the second company's plant is to be located.

The petrochemicals project is the biggest joint venture ever undertaken in Norwegian industry, and will involve investments amounting to some Kr.2,000m., at to-day's prices. It has been virtually forced on Norsk Hydro, which had hoped to exploit the Ekofisk condensates under a scheme of its own, involving co-operation only with Borregaard.

Further details of the "shot gun marriage" between the three remain to be worked out—particularly as regards the further processing of ethylene from the Bamble cracker. The negotiations are expected to be tough, with the Government pressing for rapid decisions. It aims to present a White Paper on the project to the Storting (Parliament) by January next year.

Lurgi foresees rising demand for coal processing plants

BY ANDREW HARGRAVE

FRANKFURT, Dec. 3.

THE ENERGY crisis, and the sudden revival of interest in the expanded use of coal as an alternative fuel source to oil or gas, has brought this sector of the activities of Lurgi, one of West Germany's leading fuel processing plant manufacturers, back into the limelight again.

Lurgi has been working on coal utilisation, including gasification processes for over 50 years. To-day executives gave details of several new projects which are being undertaken, mostly overseas but also in Europe. The group, which derived more than three-quarters of its DM770m. income from outside West Germany last year and is expected to achieve almost DM900m. in the current one, is building five large coal gasification plants in the U.S.

Based on Lurgi's own SNG process, each of the plants will cost $450m., gasify 8m. tons of coal per year and produce 250m. cubic metres of gas per day. Two of the plants are in New Mexico, the others in Montana, North Dakota and Wyoming respectively. A modern SNG plant is also running, on an experimental basis, in South Africa where an older Lurgi plant is being extended by 40 per cent.

Dr. D. Natus, a Lurgi executive, pointed out that while SNG is still considerably more expensive than natural gas, the economics of fuel are changing rapidly and one had to expect between 10 and 20 per cent. of the total gas needs of the U.S. being met from this source eventually. Already, he added, gas produced this way was already near the price of imported liquid natural gas.

In West Germany, where coal prices are the highest in Europe, the electricity undertaking STEAG (in which the federal-owned coal group Ruhrkohle has a majority holding) has been running an experimental combined gas-and-steam powered station of 170 megowatt. The experiment in which Lurgi and STEAG are co-operating should, Dr. Natus said, end next year and a station of commercial size built. This, Dr. Natus claimed, would amount to a break-through.

DSM expands in polypropylene

By Michael Van Os

AMSTERDAM, Dec. 3.

DSM, THE State-controlled Dutch chemical group, plans the construction of a 50,000-tons-a-year capacity polypropylene plant in Geleen to come on stream in 1975.

Engineering and construction will be carried out by DSM but plant design will incorporate technical know-how supplied by Mitsubishi Petrochemical, a leading Japanese polypropylene manufacturer. This know-how will enable DSM to produce a complete range of high-quality polypropylene resins.

IBM faces fresh anti-trust suit

By Candace Cuniberti

NEW YORK, Dec. 1.

THE Hudson General Corporation, a small manufacturer of peripheral computer equipment, filed a $28m. private anti-trust suit against International Business Machines in the hopes of being able to duplicate the Telex legal coup.

Hudson General, which leases Telex equipment, charged that IBM held a monopoly on the computer market, including the development, manufacture, distribution, sale and leasing of peripheral equipment used with IBM computers.

The suit, which appears to be based on the judge's opinion in the Telex anti-trust decision, is the third one to be filed by a small IBM competitor since the September ruling which awarded Telex $352.5m. in treble damages. While the decision has since been re-stated and the damages re-assessed at $259.5m., the initial findings of wrong-doing on the part of IBM have not been reversed, although some experts feel that the softening of the injunctive relief has slightly mitigated the impact of the verdict.

Star $25m. Eurobond is withdrawn

By Mary Campbell

THE FIFTEEN year $25m. issue by Star European Finance is not going ahead after all. The issue was due to close this evening.

The issue was announced on November 22. It was thought at that time that the indicated coupon of 9¼ per cent. would ensure the attraction of the issue, despite Star's heavy borrowing on the European bond markets earlier this year and Eurobond investors' traditional distrust of property companies.

However, since then prices on the Eurobond market have declined significantly and while the company considered raising the coupon level to 9½ per cent., it says that since it has no immediate requirement for funds it has decided to wait for better market conditions.

At the time the Eurobond issue was announced, the company also completed arrangements with National Westminster Bank for a $50m. (or equivalent) eight year loan.

Asian dollar placement

ORIENT LEASE of Japan is floating a $10m. private placement in Singapore through its subsidiary Orient Leasing (Caribbean). Maturity is nine years and one month and the coupon 8.75 per cent.

The issue, which is believed to be the first foreign issue on the Asian dollar market in Singapore, follows encouragement by the Japanese authorities for Japanese companies to raise funds which are to be used for overseas investment in markets outside Japan.

*

Superintendencia Nacional da Marinha Mercante (SUNAMAM) is to borrow $31m. for 15 years from a syndicate of banks headed by Smith Barney and Taiyo Kobe Bank.

The loan is guaranteed by the Brazilian government. SUNAMAM is a Brazilian Government agency responsible for supervising Brazil's martime policies and financing its ship-building industry.

EIB plans $50m. Euroloan

LUXEMBOURG, Dec. 3.

THE EUROPEAN Investment Bank (EIB) will shortly issue a $50m. loan on the Eurobond market, but conditions have not yet been fixed, a spokesman said.

The EIB has not asked the Italian authorities to exempt the issue from Italian foreign investment restrictions, the spokesman said. This means the loan will almost certainly carry coupon higher than the EIB's $60m. eight per cent. 15-year issue made in October at 99½ per cent., the spokesman said.
Reuter

$300m. separate Chile and Kennecott on copper

PARIS, Dec. 3.

CHILE AND KENNECOTT Copper remain about $300m. apart in their assessments of how much the company should get for its nationalised Chilean interests, informed diplomatic sources said here.

The sources, who maintain contact with the progress of compensation talks between the two sides, said they believe Chile had offered $300m. and Kennecott had asked for $600m.

The talks have remained deadlocked at that point since Chilean Foreign Minister Sen. Ismael Huerta had talks with Kennecott officials in New York in October, the sources said.

The question is likely to remain unsettled until after Chile has talks here early next year with the U.S. and 11 other countries on renegotiating payments on a foreign debt of $4,000m., the sources added. Chilean officials indicated Chile might then make a higher offer.

On the outcome of the talks depends not only the foreign debt burden Chile will have to carry during 1974 but the level of foreign aid and loans it can look forward to.

According to reports from Santiago, Chile has been offered $150m. in loans by U.S. and Canadian banks since the September coup.

FOREIGN BUSINESS IN ZAMBIA

Living with constant change

Foreign business in Zambia has lived with change of some sort or another since independence in 1964. But Ruth Weiss in Lusaka sees the change speeding up now and new measures must be expected. These may well involve cutting the parastatal corporations themselves down in size. President Kaunda has said on many occasions that state capitalism is a transition only.

CHANGE is speeding up within the foreign business sector in Zambia and new measures must be expected. Mr. Dominic Mulaisho, writer, thinker, and also managing director of Mindeco (Mining Development Corporation), the parastatal organisation affected by the recent reorganisation in the Zambian mining industry, told a "think tank" in Los Angeles recently that multinational companies had to live with the fact of a changing relationship with the developing countries in which they operate.

The major change in the labour force since independence, he said, was one of attitudes. Previously, labour was the tool that could be directed to do the job. Now workers have the vote: they can put their Government out of business. So the Government has to represent the workers' interests and aspirations when dealing with the foreign companies that trade or manufacture within their national boundaries. Workers' participation, higher wages, controlled hours are some of the results, as is nationalisation of foreign assets.

Foreign business in Zambia has lived with change of one sort or another since 1964, the year of independence. In 1968, a programme for change was introduced. Zambian citizens have been given the prerogative in the trading sector: only specified and specialised services such as those provided by chemists, hairdressers, garages, are still open to non-citizens.

Small Asian and European businessmen have been left isolated and insecure by the programme of change, which passed through various stages from 1968 to 1970.

Foreign companies, too, have had to adapt to new conditions. In 1968 the President asked some 25 mainly trading companies to offer 51 per cent. of their shares to the state. That was followed by a 51 per cent. takeover in 1969 of the shares of the two major mining companies. The arrangements made at the time to pay the money over eight years in the case of one company, Roan Consolidated Mines, and 12 in the case of the other, Nchanga Consolidated Copper Mines, were changed last August 31. President Kaunda then announced the immediate payment of the compensation, to be followed by tighter management control on the part of the Government as shareholder.

It is this announcement that has once more focussed attention on the expectations of continuing change. The commercial banks were left out of the nationalisation process, it is said because of disagreement over how to carry it through. Whatever the reason, the three banks remaining in the private sector, Barclays, Standard and Grindlays, have lived with insecurity since 1970 and no doubt would welcome any firm decision regarding their future.

As for the companies taken over after 1968 or which entered joint ventures with state companies, they too have undergone changes in the original agreements or are expecting such changes. In carrying out the presidential directive, the civil service built a series of new parastatal structures.

The top company was ZIMCO, Zambia Industrial and Mining Corporation, which issued the bonds guaranteeing the payment of the mining shares. ZIMCO sprouted several subsidiary corporations, finally settling down to five: Indeco (controlling industrial and commercial interests); Mindeco (holding company until August 31 of 51 per cent. shares in RCM and NCCM and legally still in this position until shares are transferred to Minister of Finance, as directed by Dr. Kaunda on August 31); Findeco (the financial corporation which controls insurance, the building society, state banking); the National Transport Corporation; and the National Hotels Corporation.

These corporations in turn control subsidiary companies. In the case of Indeco, which is in the nature of a conglomerate, there are seven sub-groups with their daughter companies, over 60 in all. In many, foreign companies are partners and often managers.

Indeco currently has plans in hand for several important new projects or expansions. In all of these the approach is similar, namely equity participation and technical assistance by a foreign partner. A case in point is ICI which has now agreed in principle to participation in two such projects.

This year, in the space of a few months, Indeco has acquired the remaining shares in several subsidiaries, mainly South African, including 49 per cent. held by O.K. Bazaars in ZOK, which has an outlet in Lusaka. Management contracts are being watched carefully for any unduly high fees or abuse by the managers to continue to sell or buy in familiar markets with associate interests. Wherever possible, companies have been directed to become "self-managing," with Indeco appointing the chief executive.

It is this process which is expected to be accelerated. There may also be a change in the structure of the state corporations. Mindeco was shaken to its foundation by the decision in August to give the running of the major mining groups to the Ministry of Mines, with the Finance Minister holding the shares in trust. That left Mindeco with a small section only. Insignificant in relation to copper, the small mines will have to look to the Government now for subsidies.

Indeco would seem to be the next giant in line for cutting down to a new size. The President has said on many occasions that state capitalism is a transition only. He clearly dislikes the power held in the hands of a few able men at the helm of the corporations, most of them former civil servants. This dislike is probably shared by many civil servants. There is a suspicion too that by the nature of their operations, the parastatal businessmen think along the same lines as their foreign partners and may make decisions that are good for business but perhaps not for the nation as a whole.

The trouble is that constant change creates insecurity. It shakes confidence, that of the employee as much as of the manager and the foreign partner. New investment is not attracted by such conditions unless there is the bait of high returns, and full protection for dividend repatriation. They do not exist at present.

The Ministry of Trade and Industry is aware of the need to attract and retain foreign investment and an inter-ministerial committee is currently working on a new investment code. Work is also in hand to establish an export promotion council.

All these plans indicate the self-confidence in the country's own abilities to operate and to operate with outside partners, with the latter no longer dominant, and the Zambian interest no longer relegated to the status of junior partner.

Zambia has an enviable reputation for creditworthiness. The country has negotiated all takeovers, whether on the 51/49 per cent. formula or 100 per cent. in the case of the Unilever subsidiary. Payments are prompt and even the recent announcement regarding the mining companies' bond was instantly honoured, by payment of $U.S.150m. within something like two weeks.

In spite of this foreign investors are likely to be wary until the promised investment code is promulgated and found to be attractive. Nine years after independence, Zambian control within the economy is impressive, but Zambian and foreign partners will have to adapt a little more to each other in the years ahead.

Company Results

CFP increases turnover by 20%

● COMPAGNIE FRANCAISE des Petroles reports consolidated pre-tax profits of Frs.1,610.3m. for the half year to June 30.

The company says that this figure cannot be compared with that for the corresponding 1972 period, as this is the first time that consolidated results have been issued for the first six months. But consolidated profits for 1972 as a whole came to Frs.3,123.2m. Earnings per share were Frs.13.53 compared, with Frs.27.05 in 1972.

Net turnover increased 20 per cent. to Frs.7,999.4m. from Frs.6,632m. in the first half of 1972. Crude oil volume put at the group's disposal amounted to 38.2m. tons compared with 31.2m. tons in the corresponding period last year.

The 1973 interim results include a net exchange loss of Frs.46m., calculated on the basis of June 30, 1973, rates.

See Lex Back Page

● Sales of the West German unit of Sperry Rand, declined to DM375m. in the fiscal year ended March 31, 1973, from comparable year-earlier sales of DM395m., the company reported in its first annual report. Earlier this year, the parent merged all Sperry Rand's German subsidiaries into Sperry Rand GmbH.

Net profit for the past fiscal year was stated at DM6.73m. With profit accumulated from preceding years, Sperry Rand GmbH had DM31.9m. available for distribution, but the annual report did not say what the company planned to do with this. It said the sales decline resulted primarily from the switching from smaller Univac 9200/9300 computer models to the larger Univac 9700 units. There were also some declines in export sales of consumer products, especially in Sperry Rand GmbH's U.S. sales, the company said.

● Dow Chemical expects 1974 earnings per share to top the estimated $2.80 to $2.90 a share for 1973. President C. B. Branch estimated that the company expects sales and capital and research expenditures next year will top this year's levels by about 10 per cent. The company estimated its 1973 sales at about $3,000m. and put capital spending at about $300m. and research and development spending at $115m.

● Kaiser Industries declared a cash dividend of 5 cents per share.

● Union Pacific declared a quarterly dividend of 60 cents a share. During 1973, Union Pacific raised its dividend twice aggregating a 20 per cent. increase, lifting dividends to $2.24 a share compared with $2.00 a share in the prior year.

● Honeywell chairman James H. Binger said he would be disappointed if the company's earnings do not continue to grow at around 15 per cent. a year as in the past three years.

● Bank of Montreal reports net income after taxes and a loss appropriation of $C56.9m. or $C1.67 a share for the year ended October 31, against $C53.2m. or $C1.56 a year earlier.

● National Securities and Research declared a dividend of $0.15 per share.

Other News

Joint European bank planned in Luxembourg

● A group of six banks is forming a new bank in Luxembourg called Mercur-Bank which will be capitalised at Lux.Frs.360m., Schweizerische Kreditanstalt said.

The Swiss participant is Bank of Zurich, which is a wholly-owned subsidiary of Kreditanstalt. The other participants are Barclays Bank, Merck Finck of Munich, National Bank of Detroit, Landesbank in Rheinland-Pfalz of Mainz and Landesbank in Schleswig-Holstein of Kiel. Each of the partners in the project will hold one-sixth of the equity, Kreditanstalt added.

● The Swedish Parliament has formally approved a merger between the Postbank and the Kreditbank to form Sweden's largest banking enterprise. The new bank will command lending resources of Kr.28,000m. (about £1,700m.) and will offer Saturday facilities.

The Conservative Party opposed the formation of the giant new bank, accusing the Social Democrat Government of trying to extend State influence in the credit market. The Postbank handles Sweden's extensive Giro payment operation.

● Continental Illinois National Bank and Trust announced the final operating licence has been granted by the Indonesia Ministry of Finance to form P. T. Indo Pacific Financial, a joint venture in Jakara. Continental's partners in the new venture are Bank Rakjat of Indonesia; the Sanwa Bank of Japan and Credit Commercial de France. The investment in the Indonesian firm received approval from U.S. regulatory authorities. It will be Continental's second facility in the Island Republic, the first being a representative office which opened in Jakarta in 1970. The joint venture will emerge with three principal activities—Money market operations, capital funding, and consulting services. Initially it will concentrate on Money market activities including foreign exchange."

● Sumitomo Electric Industries has obtained a financial interest in the Brazilian electrical cable manufacturing company Phelps ros.

NOTICE OF REDEMPTION

To the Holders of

RICHARDSON-MERRELL OVERSEAS FINANCE N.V.

8¾% Guaranteed Debentures Due December 15, 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of December 15, 1970 providing for the above Debentures, $500,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on December 15, 1973, through operation of the Sinking Fund, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date:

DEBENTURES OF $1,000 EACH

M-13	1117	2287	3155	4510	5548	6546	7354	9044	10066	11001	12208	12913	14395	15308	16551	17918	18908
50	1181	2321	3224	4523	5624	6585	7388	9084	10104	11055	12232	12946	14423	15351	16586	17965	18954
79	1220	2356	3275	4562	5662	6610	7431	9117	10124	11132	12250	12987	14466	15402	16631	18011	18982
110	1252	2397	3309	4654	5691	6640	7464	9152	10150	11147	12269	13037	14435	15448	16633	18034	19012
157	1298	2449	3352	4685	5749	6659	8036	9217	10178	11209	12287	13099	14507	15514	16686	18067	19052
185	1333	2487	3401	4694	5766	6691	8068	9253	10189	11274	12307	13183	14513	15578	16691	18119	19086
225	1342	2513	3434	4697	5790	6715	8093	9298	10203	11310	12328	13307	14552	15614	16747	18150	19117
253	1371	2528	3436	4805	5862	6749	8128	9351	10264	11340	12355	13427	14615	15671	16757	18190	19140
312	1444	2567	3527	4813	5881	6761	8160	9393	10271	11411	12375	13531	14639	16014	16787	18224	19166
330	1452	2596	3580	4835	5894	6806	8169	9423	10310	11421	12405	13576	14665	16054	16809	18274	19194
363	1475	2624	3619	4909	6030	6835	8226	9466	10338	11435	12431	13684	14695	16058	16874	18309	19236
390	1498	2658	3663	4937	6071	6862	8267	9514	10375	11523	12453	13768	14722	16079	17031	18334	19262
447	1529	2694	3678	4958	6100	6899	8297	9534	10422	11577	12487	13860	14744	16106	17050	18374	19294
478	1565	2704	3719	5032	6132	6928	8338	9585	10424	11578	12509	13929	14765	16127	17185	18403	19312
524	1602	2739	3741	5057	6154	6954	8380	9617	10492	11623	12528	14006	14810	16155	17285	18438	19344
582	1631	2766	3771	5101	6170	6977	8426	9655	10499	11702	12549	14031	14828	16177	17324	18469	19368
605	1667	2806	4057	5110	6205	6998	8467	9687	10526	11773	12570	14067	14833	16218	17360	18509	19431
652	1704	2829	4060	5193	6240	7035	8527	9719	10602	11795	12602	14069	14883	16233	17393	18535	19458
675	1753	2857	4085	5204	6273	7054	8592	9741	10642	11837	12630	14119	14887	16270	17423	18568	19493
716	1842	2878	4092	5274	6295	7087	8642	9763	10645	11901	12656	14128	14926	16261	17455	18580	19540
750	1887	2903	4217	5275	6322	7136	8682	9786	10693	12012	12683	14175	14948	16329	17478	18624	19576
786	1924	2939	4218	5362	6354	7167	8722	9809	10724	12036	12709	14209	14982	16334	17556	18656	19643
838	2027	2952	4224	5397	6366	7187	8770	9831	10760	12061	12736	14242	15053	16396	17579	18684	19688
866	2073	2996	4305	5421	6385	7194	8844	9871	10814	12078	12755	14276	15100	16401	17610	18722	19723
916	2099	3022	4355	5458	6427	7223	8875	9899	10873	12103	12785	14299	15141	16452	17720	18766	
1003	2168	3077	4368	5463	6447	7256	8906	9917	10883	12130	12818	14328	15187	16478	17735	18789	
1062	2231	3107	4426	5530	6481	7299	8951	10030	10976	12158	12850	14353	15229	16488	17818	18816	
1113	2246	3115	4475	5542	6520	7315	8996	10042	10999	12185	12883	14373	15277	16550	17851	18866	

On December 15, 1973, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Debentures will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the **corporate trust office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N. Y. 10015,** or (b) at the main offices of any of the following: Morgan Guaranty Trust Company of New York in Brussels, Frankfurt am Main, London, Paris and Zurich; Banca Morgan Vonwiller S.p.A. in Milan and Rome; Bank Mees & Hope N.V. in Amsterdam; and Kredietbank S.A. Luxembourgeoise in Luxembourg. Payments at the offices referred to in (b) above will be made by check drawn on a bank in New York City or by transfer to a dollar account maintained by the payee with a bank in New York City.

Coupons due December 15, 1973 should be detached and collected in the usual manner.

On and after December 15, 1973 interest shall cease to accrue on the Debentures herein designated for redemption.

RICHARDSON-MERRELL OVERSEAS FINANCE N.V.

Dated: November 9, 1973

NOTICE

The following Debentures previously called for redemption have not as yet been presented for payment:

M-2087 8660 8675 13129 14189

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer		Bid	Offer
Anglo American 7½pc 1987	88	89	CONVERTIBLES		
Ashland 8pc 1987	95	96	American Express 4¼pc '87	100	101½
Bluebell 7½pc 1987	87	88	American Motors 6pc 1992	112	114
British Land 8pc 1987	89½	90½	Amoco 5½pc 1984	121	123
Cadbury Schwps. 7½pc 1990	91½	92½	Beatrice Foods 4¼pc 1992	91	92½
Carrier 8pc 1987	95	96	Beatrice Foods 4½pc 1992	97½	99
Consd. Foods 7½pc 1991	90½	91½	Borden 5pc 1992	80	81½
Cutler Hammer 8pc 1987	95	96	Broadway Hale 4¼pc 1987	74	76
Denmark 7½pc 1990	89½	90½	Carnation 4pc 1987	74½	76
Fisons 8½pc 1987	96	97	Chevron 5pc 1988	95	97
General Cable 8½pc 1987	96½	97½	Dart 4¾pc 1987	97½	99
Grand Met. 7½pc 1987	85½	86½	Economic Labs. 4¾pc 1987	98	99½
Guardian RE 8pc 1987	93	94	Ford 6pc 1986	90½	92
Gutehoffnungshutte 7½pc '88	91	92	Ford 5pc 1988	72½	74
Hambros 7½pc 1987	92½	93½	General Electric 4¼pc 1987	96	97½
Hamersley 8pc 1987	92	93	Gillette 4¾pc 1987	82½	84
ICI 7½pc 1992	90½	91½	Gould 5pc 1987	73	75
Kleinwort Benson 8½pc 1987	95½	96½	Halliburton 4¼pc 1987	140	142
Legal and Genl. 7½pc 1988	91	92	Harris 5pc 1992	81	83
MEPC 8pc 1992	88	89	Hitachi 6¾pc 1984	99	103
Michelin 7½pc 1988	91	92	Honeywell 6pc 1986	91½	93
Nat. and Grindlays 7½pc '87	90½	91½	ITT 4½pc 1987	74½	76
RHM Intl. 8pc 1988	90	91	Komatsu 6¾pc 1984	110	116
Prov. of Quebec 7½pc 1988	92	93	J. Ray McDermott 4¾pc '87	139½	141½
Shell Intl. 8pc 1986	96½	97½	Masco 4½pc 1987	85½	87
Slough 8pc 1988	88	89	Mitsubishi Elec. 7pc 1985	152	
South Africa 7½pc 1987	90	91	J. P. Morgan 4¾pc 1987	114½	116
Standard Oil (Ind.) 8½pc '88	100½	101½	Motorola 4¾pc 1983	132	134
Tenneco 7½pc 1987	93½	94½	Murphy 5pc 1989	145	147
Town and City 8pc 1987	88	89	Owens Illinois 4½pc 1987	95½	97
Volvo 8pc 1987	94	95	J. C. Penney 4½pc 1987	83½	85
Wellcome 8½pc 1987	95½	96½	Rank 4½pc 1993	75	77
Williams & Glyn's 8½pc '87	95½	96½	Revlon 4½pc 1987	88	89½
NOTES			Sime Darby 5½pc 1988	72	74
Bank of Tokyo 7½pc 1976	96½	97½	Slater Walker 5½pc 1987	72	74
Barclays 7½pc 1978	98½	99½	Sperry Rand 4¼pc 1987	99	100½
Du Pont 7½pc 1978	97½	98½	Squibb 4pc 1987	87	89½
Esso Intl. 7½pc 1979	96½	97½	Toshiba 6½pc 1985	134	
First Chicago 7pc 1980	91½	92½	Union Carbide 4¼pc 1982	86½	88
General Motors 8½pc 1976	99	100	Warner Lambert 4¼pc 1987	97	98½
Rockwell Intl. 7½pc 1979	97	98	Warner Lambert 4¼pc 1988	90	91½
Tenneco 7½pc 1979	95	96			

Source: White Weld Securities. Source: Kidder, Peabody Securities.

FARMING AND RAW MATERIALS

Peak wheat crop likely in Australia

By Our Own Correspondent

CANBERRA, Dec. 3.

OFFICIAL ESTIMATES of Australia's 1973-74 wheat harvest to-day indicated a record of 12.8m. tonnes—twice the size of the 1972-73 harvest. The Bureau of Census and Statistics, which published the estimate, cautioned that seasonal conditions could still affect the final harvest, especially in Eastern Australia where the biggest increases are forecast.

Returns from growers showed that the area sown to wheat for grain was 9m. hectares in the current season ending on March 3, which compared with 7.6m. in the previous season, the bureau reported. Wheat production in the past three years has been: 1972-73, 6.4m. tonnes; 1971-72, 8.5m. tonnes; and 1970-71 7.9m. tonnes.

Reuter reports from Sydney that the Farmers and Graziers Co-operative Company has warned that the New South Wales wheat crop may not exceed 100m. bushels (about 2.7m. tonnes), compared with an estimate several months ago of 130m. bushels.

The Premium Wheat Growers Association has also had to revise its estimate of this year's hard wheat crop, which is now put at 15m. bushels against an original figure of 30m. bushels. Weather damage this week cut the crop by 5m. bushels.

U.K. chipboard imports 60% higher

By Our Commodities Staff

CHIPBOARD IMPORTS to the U.K. during the first nine months of this year totalled 538,799 tonnes, 59 per cent. more than in the corresponding period last year. The value of imports in this period was almost double last year's level at £36,646.

Figures published by the Timber Trade Federation show imports in September were a little down on the previous two months, at 60,994 tonnes, but still more than 6,000 tonnes higher than in September 1972.

Finland was agai neasily the major source, providing over 20,000 tonnes in September and 181,036 tonnes in the first nine months. Sweden came second in September with 7,649 tonnes and Norway third with 7,172 tonnes.

Home production in September was 19,102 tonnes, against 16,348 tonnes in September 1973. Over the January to September period, however, home production was only 4,000 tonnes above last year's level, at 134,789 tonnes, and deliveries, at 131,140 tonnes, were nearly 4,000 tonnes down on last year.

Falls in stocks bring new metal market peaks

BY JOHN EDWARDS, COMMODITIES EDITOR

A DECLINE in warehouse stocks of all five metals traded on the London Metal Exchange gave a fresh impetus to prices yesterday. New all-time peaks were reached in the copper, lead, tin and zinc markets, with the lower value of sterling also helping the upward trend.

"Bullish" sentiment was bolstered by a report from Tokyo that Japanese non-ferrous metal smelters will have to curtail their production of copper, lead and zinc by 13 to 20 per cent. in the next four months until March, due to a power shortage and fuel supply cuts.

A survey by the Japanese Ministry of International Trade and Industry predicted that copper production will fall by 20 per cent. from the original monthly production plan for 83,000 tons.

Lead smelters will have to reduce operations by 13 per cent. from the original production projection for 20,000 tons a monht, while zinc producers will cut back by 15 per cent. from the originally planned output of 71,000 tons a month.

Copper and zinc shrugged off news from Washington that a House Armed Services sub-committee will consider stockpile disposal bills later this week, although the New York copper market was affected and depressed London values slightly in late kerb trading.

A fall of 2,250 tons in copper stocks held in LME warehouses—reducing the total to a lowly 17,650 tonnes—slightly above market expectations. The squeeze on immediately available supplies lightened still further, forcing the cash wirebars price up by £17.5 to a new peak of £1,082.5 a tonne, a premium of £195 over the three months quotation, which gained only £1 to £887.5.

Acute scarcity of supplies continues to dominate the copper market and there seems little prospect of a major move downwards until this shortage is relieved.

In zinc the ban on new buying for deliveries up to the end of the year has shifted the emphasis to the forward months. The three months quotation yesterday rose by £42.5 to a new peak of £764.5 a tonne, while the cash price moved up by £17.5 to £865. A fall in stocks of 1,500 tonnes, cutting the total holdings to only 5,125 tonnes, was rather more than expected. Consumer interest is thought to be slowing down prior to the Christmas holiday, but trade and speculative interest remaining in the forward months.

A fall of 2,350 tonnes in lead stocks to 21,900 tonnes was in line with expectations, but gave another powerful boost to the market. Cash lead gained as much as £26.5 to £278 a tonne and is now at a premium of over £10 to the three months quotation emphasising the present squeeze on nearby supplies.

The lead market is following the trend in copper closely, but without the same pressure on supplies which may be only temporarily affected by shipments to China. Certainly there appears to be considerable speculative buying influence in lead that has encouraged the tremendous upsurge in prices recently.

A bigger than expected fall in LME stocks of tin—down by 266 to 2,920 tonnes — encouraged London prices to follow the upward trend in the Malaysian market over the week-end. A shortage of nearby supplies is accelerating the rise in values, with the cash price rising yesterday by a further £40 to a record level of £2,760 a tonne, after increasing by nearly £350 last week. Speculative buying has aided an increase in the three months quotation of £49 to £2,616—also a new all-time peak.

The U.S. stockpile sold a further 575 tons of tin on Friday night and has now raised its asking price again to-night. LME silver stocks fell by 290,000 to 16,160,000 ounces.

Higher beef output forecast

BY PETER BULLEN

A SHARP increase in the U.K. beef output over the next few years was forecast yesterday in a report from the economics division of the North of Scotland College of Agriculture.

Mrs. Anne McDonald, who compiled the report, forecasts an increase of some 8 per cent. next year with further increases in 1975 and early 1976. Compared with the 902,000 tons of U.K. beef produced in 1972 she expects up to 938,000 tons this year and between 998,000 and 1,014,000 tons in 1974.

"The projections are based on the expectation that fatstock prices in 1973 will average out at £17 to £19 a cwt and well above the 1972 realisation of £14-£15 a cwt for good quality fat animals, and that a possible fall in 1974 will not be sufficient to reverse farmers' expectations of continuing profitability for beef production within the EEC," she says.

Among critical factors in the projections are a dramatic fall in the slaughter of calves, down from 477,000 in 1968 to 153,000 last year, and an increase in the number of heifers diverted into the breeding herd, rather than being sent to slaughter.

"The other critical factor is the level of imported stores and fat cattle which will mostly come from Eire," the report continues. "Annual imports of stores have declined from 624,000 head in 1967 to 487,000 head in 1972 as Eire has found alternative markets within the EEC and greater incentives for domestic fattening. Our projections of store imports, at 360,000-440,000 head in 1973 and 320,000-400,000 head in 1974, reflect a sharp slowing down in the trend."

Right price

In London yesterday Mr. Mark Clinton the Irish Minister for Agriculture, made it clear that Britain could receive far greater quantities of Irish beef and more Irish cattle, providing the price was right. Over the past two years Irish breeding stock had increased by 322,000 head. "All increases in production are for export and, naturally, will be exported (live or dead) to the market offering the best return," said the Minister.

Mr. Clinton, who had earlier discussed Irish beef exports to the U.K. with Mr. Joseph Godber, British Minister of Agriculture, said he had suggested to Mr. Godber that he use his influence to persuade the British trade to enter contractual arrangements with Irish suppliers to ensure regular, large supplies.

He said that Irish meat and cattle exports to the U.K. were down by about 30 per cent. this year and agreed that up to 2,000 tons of Irish beef hindquarters had been sold into intervention recently at prices below those prevailing on the British market.

Members of the Irish Meat and Livestock Board said they thought the trouble was the reluctance of Britain to pay the going rate for beef. They are anxious to find big buyers in this country who will pay about 1p to 1½p a pound more for Irish beef.

Outlook for Beef and Veal Production in the U.K. 1973 and 1974, North of Scotland College of Agriculture.

Rubber price rise continues

By Richard Mooney

THE RUBBER market yesterday continued last week's strong upward rise, the No. 1 RSS spot price achieving yet another new peak. The spot price went up 1.5p to 48p a kilo and has now increased by more than 40 per cent. in the last four weeks.

Speculative interest continued to be a major factor in the market, but yesterday's rise was also helped by reports that China had accepted quantities of Nos. 3 and 5 RSS. Short-covering was also thought to have played a part in the rise.

After a firm opening, fair demand was reported throughout the day with interest mainly concentrated in the nearby positions.

Reuter reported from Washington, meanwhile, that informed sources there think it unlikely that the 130,000-short ton "floor" on the rubber stockpile will be lowered when Congress returns after the Christmas recess.

No action has been initiated on the rubber stockpile arrangements and Government circles seem to feel that none will be.

If this is the case, no further stockpile rubber will be available when the existing "floor" is reached, which at the current rate of sales should happen by next April.

Nevertheless, the administration is expected to keep a close watch on the impact of the energy crisis on synthetic rubber output.

Nickel price basis change

By Our Commodities Staff

A CHANGE IN the time basis for calculating the sterling price of nickel has been introduced by International Nickel. To enable prior notification of a price change to be given to the Price Commission, it has been decided to base the quotation for the following month on the dollar/sterling parity rate from mid-month to mid-month. Thus the December price of £1,414.25 a tonne has been based on the average exchange rate between mid-October and mid-November.

The French producer, Le Nickel, has decided to continue using its November quotation of £1,413 a tonne for the present at least.

There are renewed rumours in the trade that a rise in the world price of nickel will be announced shortly—the beginning of January is the most favoured time.

SOUTH AFRICA

Doubts tarnish the platinum outlook

BY A SPECIAL CORRESPONDENT

SIX MONTHS AGO, the major South African platinum producers were on top of the world. They had made an assured recovery from the troughs of 1971-72, when sales of the metal were running at less than half capacity.

The producer price, set by Rustenburg, had been raised $20 to $150 per oz in February (and following a currency adjustment in June is now $158).

The outlook for platinum-based catalytic converters for car exhaust systems was favourable. the U.S. Environmental Protection Agency confirmed their technical superiority, while allowing a one-year delay in implementation of the Clean Air Act standards. As a result, long-scheduled expansion programmes were maturing and the platinum producers looked forward to a period of unequalled prosperity.

To-day, confidence has been shaken—but has not entirely faded—for two reasons. First, the Arab oil embargo has led a segment of the U.S. auto industry to make another attempt at deferring the EPA rulings, and, led by Chrysler, has requested the Senate Public Works Committee to freeze standards, pending development of a CVCC engine like the one developed by Honda.

More important, there is probably a risk that while public opinion was steadily behind implementation of the Clean Air Act, it may now swing towards the view that what burns most fuel, not what pollutes most, is the greater evil.

The second problem arises in the Japanese market, where South African producers sell substantial quantities of platinum. Demand there rose from 640,000 oz. in 1971 to 1.1m. oz. in 1972 and the outlook is for about 1.2m. oz. this year.

For the second year running, Japan will take rather more than half the world's output of platinum, including USSR sales. But with zero growth in the Japanese economy apparently certain for the next few months and the possibility of a real recession, what happens to platinum demand in 1974?

It is on the whole easier to be sanguine about the U.S. outlook than the Japanese. Air pollution controls were first introduced in 1968. By fiddling with carburation and various power unit modifications, auto pollution levels in America have been cut by about 80 per cent. The name of the game now is to eliminate the balance with catalytic converters. In so doing, the platinum producers argue (supported by some car manufacturers) that the gadgets will be swept away and fuel economy restored to the 1968 levels.

Rearguard

The application by Chrysler to the Senate committee is seen essentially as a rearguard action —"these people will never give up," one producer says—as the point of no return for incorporation of catalysts in next year's models must be near.

However, the alliance of Ford with Chrysler to oppose the standards, despite its contract with Engelhard, may be significant, even though General Motors remains whole-heartedly committed through its ten-year contract with Impala.

What seems clear is that even if the oil embargoes are lifted, attitudes to large cars may change profoundly. While a V8 engine, which the majority of U.S. autos run on, would have needed two to three catalysts, a smaller unit will probably need one. Since the impetus towards novel car forms will be considerable it would be unwise to regard platinum converters as a long-term market.

If Japan absorbs 1.2m. of platinum this year, about 700,000 oz (worth R70m.) will originate from South Africa. About three-quarters of the total demand will be for jewellery—Japanese women prefer white platinum jewellery to the gold alternative.

But the yen has fallen sharply against the dollar, so Japanese "sugar-daddies" will be counting the cost of imported platinum.

One might add that to date demand has held up well and that despite the price differential, gold has not been a serious competitor to platinum in Japan, although imports of gold were liberalised in April. However, no one seems to have taken advantage yet of the possibilities for white gold, and an alloy of gold and osmiridium.

Meanwhile, the tempo of activity at the South African platinum mines shows no sign of slowing, despite the concern about future sales. Rustenburg, according to Sir Albert Robinson, its chairman, recently, is approaching output of 1.3m. ounces and is continuing to rise to 1.5m. ounces per year.

Impala, with the GM contract under its belt is probably running at an annual rate of about 800,000 ounces and plans are to go up to 950,000 ounces. The minor producers add another 100 000 ounces between them. Refined output is less, because of the length of the pipeline, but the South African producers will account for about two-thirds of total world platinum produced this year.

This amount will be worth R150m. at the current platinum price, but by-products from the mining and extraction processes —palladium, nickel, copper, gold and the rarer platinum group metals—will add another R70m., or so. In the context of the republic's balance of payments, this is an important sum. The next few weeks should show decisively how much of it is going to be put at risk.

Ghana cocoa crop late

BY OUR COMMODITIES STAFF

PURCHASES OF main crop Ghana cocoa for the 11th week of the season, ended November 29, were estimated at 20,736 long tons by the Ghana Cocoa Marketing Board, Reuter reported from Accra.

This brings the cumulative main crop purchases so far this season to 133,458 long tons compared with purchases of 223,056 tons for the same date (after 13 weeks) in the 1972/73 season and 155,905 tons after 11 weeks.

The purchase figures came as no surprise to the market and London terminal prices declined with the March position closing £9 down at £468.25 a ton.

It is taken for granted now that the Ghana crop is going to be very late this year, but supplies from the bumper Brazilian crop are coming forward fast.

SMITHFIELD SHOW SHEEP CHAMPION

Competing in his first show, 30-year-old Mr. Alex Bulmer, of Malton, Yorkshire, won the Smithfield Show Supreme Sheep Championship with a pen of three Suffolk lambs from a flock he inherited from his father three years ago.

Attendance at the show's first day was 7,094—the same as on the first day of last year's event.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Fresh strength took cash metal to a record level of £1,080 on the London Metal Exchange although forward was only marginally firmer after Friday's upturn. In afternoon kerb trading, however, both prices gave ground owing to profit-taking and the weakness of the U.S. market, the latter reflecting news that an Armed Services sub-committee is to meet this week to consider release of metal from the U.S. stockpile. Forward metal ended at £878 after being up to £894 at one stage. The backwardation widened to around £190 helped by a larger than expected fall in warehouse stocks. Turnover, 11,675 metric tons.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1075-80	—5	1080-5	+17.5
3 months	892-3	+5	887-8	+1
Settlem't	1080	—5	—	......
Cathodes				
Cash	970-2	—1.5	965-75	+20
3 months	870-2	+3.5	865-70	+4
Settlem't	972	—5	—	......
N.Y. Smt	—	......	*60-60¼	......

Amalgamated Metal Group reported that in the morning, cash wirebars traded at £1,070, 75, 80, early-Feb. £895, late-Feb. £889, 90, three months £885 to 93, 92. Cathodes: cash £970, 68, three months £870, 72. Kerbs: Bars: cash £1,080, 79, late-Dec. £1,000, late-Jan. £930, three months £893, 94. Afternoon: Wirebars: cash £1,085, mid-Dec. £1,045, mid-Feb. £912, late-Feb. £905, three months £893 to 87. Kerbs: Bars: early-Dec. £1,075, mid-Dec. £1,030, late-Jan. £900, mid-Feb. £900, three months £888 to 77, 78.

TIN—Continued to move higher with forward metal touching £2,620 and cash £2,785, both being all-time peak prices. The further rise followed the continued strength in Penang coupled with a larger than expected fall in warehouse stocks and modest consumer interest. Turnover, 375 tons.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	2740-5	+55	2750-70	+49
3 months	2600-4	+58.5	2615-7	+48
S'ment	2745	+55	—	......
Straits E.	‡$8747½	+117½	—	......
New York	—	......	*655.00	+1.50

Morning: cash £2,700, 45, three months [illegible]

LEAD—Record levels were traded following a fresh burst of speculative buying and trade covering. In line with the copper market, however, prices ended below the highest. Forward metal closed at £264 after £268 and, although the backwardation widened to around £18, the highest trade in cash metal was at £272. Turnover, 7,225 tons.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	268-9	+27	277-9	+26.5
3 months	259.5-60	+20.5	267-.5	+19.5
S'ment	269	+27	—	......
N.Y. Spot	—	......	*16-16.5	......

Morning: cash £272 to 68, three months £252 to 60, 58, 59.5, 60, 61, 60. Kerb: three months £260. Afternoon: cash £277, late-Feb. £264, three months £264, 63 to 65.5 to 63 to 67. Kerb: late-Feb. £267, early-Feb. £270, three months £268, 67, 64.

ZINC—Surged afresh, forward metal ending at £780 on the afternoon kerb with cash at £875, both prices being record highs. The slightly larger than expected fall in warehouse stocks prompted renewed buying interest in forward metal, the backwardation narrowing owing to the restriction on December dealings. News of the U.S. Armed Services sub-committee sitting later this week had little market impact. Turnover, 2,150 tons.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	865-70	[illegible]	860-70	+17.5
3 months	[illegible]	[illegible]	[illegible]	[illegible]
S'ment	[illegible]	[illegible]	[illegible]	[illegible]
St. Louis	[illegible]	[illegible]	[illegible]	[illegible]

* Cents per lb. ‡ On previous unofficial close.

SILVER

[illegible]

FREIGHTS

[illegible]

COCOA

Values continued to decline in quiet conditions, reported Gill and Duffus. Levels showed losses of £9 as the market closed at the day's lows.

[illegible]

COFFEE

[illegible]

RUBBER

[illegible]

GRAINS

[illegible]

SUGAR

[illegible]

WOOL FUTURES

[illegible]

MEAT/VEGETABLES

[illegible]

JUTE

[illegible]

PRICE CHANGES

Prices per ton unless otherwise stated.

[illegible]

INDICES

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

[illegible]

U.S. Markets

NEW YORK, Dec. 3.

COCOA prices eroded on speculative liquidation, following Wall Street in otherwise featureless conditions. Copper stayed on the defensive, matching London with fresh talk of possible stockpile release. Silver opened lower in line with London, but fresh chartist and European buying touched stops to close substantially higher. Chicago markets were mixed, reflecting continued uncertainties over the oil embargo and its effect on world shipping, Bache reports.

Cocoa—Ghana spot 65 (66). Bahia spot 61 (62). Dec. 55.05 (53.65), March 49.15 (49.70), May 47.85, July 46.66, Sept. 46.45, Dec. 44.65, March 43.75. Sales, 902.

Coffee—Santos No. 2 3 unquoted (same), Santos No. 4 70.50 nom. (same). Colombian Mams 71.71 nom. (same). Coffee "C" Contract: Dec. 63.00 (65.40-62.50), March 66.25-66.10 (66.00-66.10), May 67.25-67.30, July 68.40-68.45, Sept. 69.40 asked, Nov. 70.40 nom. Sales, 364.

Copper—Dec. 105.00 (104.20). Jan. 94.00 (94.70). March 86.10, May 81.90. Sales, 1,388 lots.

Cotton—No. 2 Contract: Doc. 79.50-79.68 (77.25), March 75.40-75.43 (73.47), May 73.25-73.30, July 71.60. Oct. 63.65, Dec. 59.50-59.75, March 59.10-59.17, May 59.50 bid. Sales, 2,500.

ΦGreasewool—Spot 223.0 nom. (220.0 nom.). Dec. 225.0 bid (218.0-226.0), March 230.0 bid (220.0-226.0), May 223.0 bid, July 219.0 bid, Oct. 214.5 bid, Dec. 212.0 bid, March 206.0 bid, May 201.0 bid.

†Lard—Chicago loose 22½ asked (22 asked). NY drummed 22¾ asked (22 asked).

††Maize—Dec. 236½-237 (256½-260). March 262¾-263¼ (264½-265½), May 265¾-266. July 266-267, Sept. 261½, Dec. 245½-246, March 248½.

‡Platinum—Jan. 161.30 bid (158.50), April 166.00 (161.00), July 170.30, Oct. 173.50, Jan. 176.00, April 179.00-179.70. Sale, 589.

‡‡Silver—Spot 300.5 (297.3). Dec. 304.00 (296.70), Jan. 305.20 (298.30), Feb. 307.10, March 309.00, May 311.60, July 313.70, Sept. 315.90, Dec. 319.10, Jan. 320.00, March 322.10. Sales, 7,956.

*Soyabeans—Jan. 603-606 (602½), March 609-610 (606), May 611-611½, July 613-613½, Aug. 609, Sept. 598-599, Nov. 584-595, Jan. 596½ nom.

bSoyabean Meal—Dec. 182.50-182.00 (180.80), Jan. 184.00 (182.70), March 181.00, May 180.00, July 179.50, Aug. 179.00-178.00, Sept. 170.00-173.00, Oct. 170.00-172.0.

Soyabean Oil—Dec. 22.45-22.5 (22.10), Jan. 20.75-20.80 (20.35), March 19.25-19.20, May 18.30, July 17.95, Aug. 17.45, Sept. 17.30-17.40, Oct. 16.90-17.00, Dec. unquoted.

Sugar—Contract No. 11: Spot 10.25 (10.35). March 9.84-9.50 (9.90-9.86), May 9.30-9.27 (9.36-9.40), July 8.79-8.50, Sept. 8.34, Oct. 8.18, March 7.72-7.80. Sales, 2,537.

Tin—283.00-294.00 asked (285.00 asked).

**Wheat—Dec. 491-488 (485½), March 453-454 (471-472), May 460-461, July 413-414, Sept. 414.

WINNIPEG, Dec. 3. ††Rye—Dec. 278½ bid (278½), May 287½ (284½ bid), July 280 bid, Oct. 255 nom.

cOats—Dec. 157 bid (same), May 156 nom. (156 bid), July 147½ nom., Oct. unquoted.

§Barley—Dec. 239½ asked (240 asked), May 245½ (245½ asked), July 230 nom., Oct. unquoted.

dFlaxseed—Dec. 1,097 bid (110), May 973-973½ bid (983-984), July 960 asked, Oct. 963 asked.

Wheat—ICWRS 13.5 per cent. protein content St. Lawrence 577½ (577).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. †Chicago loose $'s per 100 lbs — Dept. of Ag. prices previous day. Drummed $'s per 10 lbs f.o.b. NY. ‡‡Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡ $'s per troy ounce for 50-ounce units of 99.8 per cent. purity delivered NY. Φ New contract. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. c Cents per 34-lb bushel. § Cents per 48-lb bushel ex-warehouse 5,000 bushel lots. d Cents per 56-lb bushel ex-warehouse, 1,000-bushel lots.

THE FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscriptions $129.00 (air freight) $243.50 (air mail) per annum. Second class postage paid at New York, N.Y.

APPOINTMENTS

Experienced Business Journalists

The Financial Mail, South Africa's leading business weekly magazine, has vacancies for journalists experienced in investment analysis, economic policy and industry.
Appointment for interview: Telephone Stanley Parker, Joshua B. Powers Limited London 01-834 8023.

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£2,400+

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require clerk with minimum 3 years' experience documentary credits and bills for collection work.
Excellent promotion prospects. Age 24-30.

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Full Employ Ltd. 242 2301.

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Applications are invited from suitably experienced men to control a staff of sixty and be responsible for the office management function. The age requirement is flexible and candidates should indicate the level of remuneration expected. As applications will be sent to our client, candidates should indicate any Stockbroking Firms to which they should not be forwarded.

Write initially, with adequate details, to J. Finnigan, Personnel Services Division of:–

Spicer and Pegler & Co.,
Management Consultants,
6 New Street, Bishopsgate,
London EC2M 4UH.

MANAGING DIRECTOR FOR INDUSTRIAL FURNACE COMPANY

Preferably applicants should have the following qualifications:

A solid training in mechanical or chemical or electrical engineering including contracting at home and abroad.

A developed ability in cost control disciplines and administration.

First class references of proven ability in engineering and administration.

Preferred age 35-45.

An applicant who judges himself fitted for the post but has qualified through other training and experience will be considered provided he can produce references of proven abilities.

Salary is not likely to be a major constraint and for a person of proven experience and ability would be not less than £10,000 per annum.

Reply with full details of career and experience to Box T.2916, Financial Times, 10, Cannon Street, EC4P 4BY.

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The London office of a prime American International Bank is seeking Business Development Officers to assist in the expansion of their ambitious Marketing Programme. The men appointed to these posts will be responsible for promoting a comprehensive and sophisticated range of Financial and Banking Services to Commerce and Industry.

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Please apply in writing to:—
Mr. E. J. Ralphs, Personnel Officer,
American Express International Banking Corporation,
52/60 Cannon St., London EC4P 4EY.

CORPORATE VICE-PRESIDENT

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Circa £3,250

An expanding firm of furniture manufacturers requires a qualified accountant with previous industrial experience to join its management team and assume responsibility for all accounting functions. His duties will cover the preparation of financial accounts, cash flow, budgetary controls, monthly operating statements and the supervision of an accounts department. He will be expected to institute a system of cost accounting and stock control.
The applicant will be 25-35 years of age and will receive a salary dependent upon experience. A knowledge of the furniture industry would be helpful.
All applications in writing to S. B. Ing, Barclays Bank Chambers, Tuesday Market Place, King's Lynn, Norfolk.

ROBERT WHITING DESIGNS LIMITED

PROSPECTIVE FUND MANAGER

Medium sized progressive insurance company with wide interests in equity investment in the U.K., North America and the Far East together with a fast developing life fund and unit trust, offers an interesting opportunity for a young person who wishes to become a fund manager.

This position will appeal to someone who has completed his or her basic training and has had about two years' experience of either portfolio management or investment analysis.

Applicants must be willing to accept responsibility and to work independently in a small department. The initial salary will be according to experience.

Write Box T.2917, Financial Times, 10, Cannon Street, EC4P 4BY.

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Have a vacancy for one trained Foreign Exchange Dealer in London and also one for their Singapore office.

Curriculum vitae in confidence to the Chairman, 20 St. Swithin's Lane, London, EC4N 8EN.

COMPANY SECRETARY/ P.A. to MANAGING DIRECTOR

required by well established London based Private Company connected with the wine trade and with substantial property interests, probably later moving to Essex.

The successful applicant will play an important part in the development of the Company and will have responsibility for the accounting and office functions.

The candidate should be qualified as, or of the standard of, a Chartered Accountant or Chartered Secretary, but should also be interested in management generally.

Salary of £2,500-£3,500 dependent upon age and experience, the Company maintaining both pension and private medical schemes.

Please write giving career details to:—
The Managing Director,
The British & Foreign Wharf Company Limited,
84 St. Katharine's Way,
London, E.1.

APPOINTMENTS WANTED

ACCOUNTANT/BUSINESS GRADUATE

38 years old, presently in banking, having wide business experience and with outside commitments west of London seeks satisfying, i.e. challenging, work in London area for 2 or 3 days each week. If interested please Write Box T.2925, Financial Times, 10, Cannon Street, EC4P 4BY.

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In mid-30s who has considerable experience in Commercial and Property matters, seeks
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Please write Box T.2929, Financial Times, 10, Cannon Street, EC4P 4BY.

CONTRACTS AND TENDERS

INTERVENTION BOARD FOR AGRICULTURE PRODUCE

Invitations to Tender—Food Aid to Lesotho (Action 5)

Tenders are invited for the supply of 6,000 metric tonnes of soft wheat (wheat other than durum) in 50 Kilo polypropylene bags or 50 Kilo jute sacks (10 ounce) and for transportation costs for delivery of the grain CIF Durban. The consignment is destined as National Food Aid for Lesotho.

The allowance for the supply of the grain and transportation costs will be determined on examination of the tenders. Delivery terms embodied in a notice of invitation to tenders, together with tendering forms, may be obtained from the Home Grown Cereals Authority, London.

Tenders should be submitted by 12 noon on 17th December, 1973, to:—

Home Grown Cereals Authority
Haymarket House
Oxenden Street
London SW1Y 4EF.

CORPORATION LOANS

INVEST IN
CLITHEROE CORPORATION
TRUSTEE SECURITIES
Min. £500 1-5 yrs. 11½%
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No Expenses to Lender
Repayment on Death
Application Forms
Borough Treasurer,
Church Street, Clitheroe, Lancs.

Invest in
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BONDS
11¾%
TRUSTEE SECURITY
Minimum £500
Period 1-2 years
Details and application form from City Treasurer, Civic Centre, Southampton SO9 4XD.

CAERPHILLY BONDS
11¼%
Min. £1,000
Repayable on 31st Dec. 1974
Apply to Treasurer (F) Caerphilly UDC Council Offices, Caerphilly, Glamorgan. CF8 2WX.

CITY OF
PETERBOROUGH
BONDS
12%
MINIMUM £500
1 or 2 years
City Treasurer, Town Hall, Peterborough. PE1 1HO. Tel: 0733 61141, Ext. 101.

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GALLIPOLI RESTAURANT, off Old Broad Street, E.C.2. Open every day including Saturday and Sunday for Lunch. Dinner and Dancing until 3 a.m. Cabaret nightly 10.30 p.m. and 1.15 a.m. Mon. to Sun. inc. £4.50 per head. Res. 588 1922.

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Superb French cuisine, entertainment and dancing to two bands till 3 a.m. daily ex. Sunday. Luncheons Monday to Friday 12 noon-3 p.m.

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CHEZ SOLANGE. Restaurant Française. Do you know that we do not close before 2 am and open as early as 5.30 pm? Lounge Bar with Salvino Messina at the piano. Lunch 12-4. Dinner 5.30-2 am. (Last orders 12.15.) Fully Licensed. Air Conditioned. 35, CRANBOURN ST., Leicester Sq. (next Underground). Res. 01-836 0542 and 836 5886.

Joint Company Announcement.

FREDDIES CONSOLIDATED MINES LIMITED
FREE STATE GEDULD MINES LIMITED
WESTERN HOLDINGS LIMITED

(All of which are incorporated in the Republic of South Africa)

BOREHOLES HE.1 AND DL.2

The directors of Freddies Consolidated Mines Limited (Freddies), Free State Geduld Mines Limited and Western Holdings Limited announce the following results for the abovementioned Boreholes, both situated within the Freddies mining lease area:—

BOREHOLE HE.1

(Situated 3 300 metres south-east of No. 3 shaft and 1 800 metres south-south-east of borehole PP.3):

	Depth Metres	Corrected Width cm	Value Gold g/t	Value Uranium kg/t	Gold Value cm.g	Uranium Value cm.kg
Basal Reef						
7th deflection	1 497	19.7	4.77	0.28	94	5.52
Core recovery was complete.						
Leader Reef						
Original (below sill)	1 465	53.6	12.89	0.37	691	19.94
1st deflection (below sill)	1 466	51.6	10.78	0.31	556	15.88
2nd deflection (above sill)	1 463	57.0	8.58	0.27	489	15.23
3rd deflection (above sill)	1 463	77.7	18.37	0.58	1 427	45.00
4th deflection		Core ground—not assayed.				
5th deflection	1 463	80.8	14.48	0.48	1 170	39.05

Core recovery was incomplete in all intersections. In the 3rd and 5th deflections the intersections were split by a sill, with minor values being encountered below the sill (which is about 9 metres thick). In the 4th deflection the core was badly ground on a carbon seam at the top of the reef. Drilling is continuing.

BOREHOLE DL.2

(Situated 800 metres north-west of Borehole OR.2 and 1 300 metres south-east of Borehole DL.1):

	Depth Metres	Corrected Width cm	Value Gold g/t	Value Uranium kg/t	Gold Value cm.g	Uranium Value cm.kg
Basal Reef						
Original		Core ground—not assayed				
1st deflection	1 599	15.3	3.10	0.16	49	2.52
2nd deflection	1 599	17.3	17.15	0.44	307	7.89
3rd deflection	1 599	19.7	15.03	0.25	296	4.93

Core recovery was incomplete in all of the intersections, with considerable loss of core at the contact. Drilling is continuing.

Johannesburg
4th December, 1973

COMPANY NOTICES

HILL SAMUEL OVERSEAS FUND S.A.
Registered Office: 37 rue Notre-Dame, Luxembourg

NOTICE IS HEREBY GIVEN that the 8th ANNUAL GENERAL MEETING will be held on Friday, December 14th, 1973 at 14.30 hours at the Fund's registered office.

AGENDA

1. Submittal of the reports of the Board of Directors and of the Statutory Auditor.
2. Approval of the Balance Sheet and the Statement of Operations and appropriation of the net profit at September 30th, 1973.
3. Approval of a dividend distribution of U.S. 10 cents per share.
4. Discharge of the Directors and of the Statutory Auditor.
5. Receipt of and action on nominations for the election of Directors and the Statutory Auditor for a new Statutory term.
6. To approve payment of Directors' Fees.
7. To amend Article 23 of the Articles of Incorporation providing for the suspension of the Net Asset Value.
8. To renew for a period of 5 years the authority of the Board of Directors to increase the issued share capital up to US$ 10,000,000. This authority to commence from the date of this resolution.
9. Any other business.

Shareholders are advised that there is no quorum necessary for items 1 to 6 inclusive and these resolutions will be passed on simple majorities of shares present or represented at the meeting, subject to a restriction that a shareholder either in person or by proxy cannot vote for a number of shares in excess of one-fifth of the shares issued or two-fifths of the shares present or represented at the meeting. Items 7 and 8 require a fifty per cent quorum and those resolutions will be approved on a two-thirds majority present or represented at the meeting.

Holders of bearer shares may vote at the meeting by proxy by completing the Form of Proxy which will be made available to them against deposit of their share certificates at either of the following banks 24 hours before the meeting:

Kredietbank S.A. Luxembourgeoise, 37, rue Notre-Dame, Luxembourg.
Hill Samuel & Co. Ltd., 100 Wood Street, London EC2P 2AJ.

For and on behalf of
HILL SAMUEL OVERSEAS FUND S.A.
Board of Directors.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY LIMITED
(Incorporated in the Republic of South Africa)

DIVIDEND NO. 96

An interim dividend (No. 96) of 35 cents per share in the currency of the Republic of South Africa has been declared in respect of the year ending 30th June, 1974 (1973 interim: 30 cents per share).

The dividend is payable to members registered in the books of the Company at the close of business on 14th December, 1973, and to persons presenting to the London Bearer Reception Office Coupon No. 96 detached from share warrants to bearer in terms of a notice to be issued by the London Secretaries and published in January 1974.

The dividend is declared subject to conditions which can be inspected at or obtained from the Company's Johannesburg Office, the Office of the London Secretaries (Barnato Brothers Limited of 27, Austin Friars, London EC2N 2EY) or the London Bearer Reception Office (7 Rolls Building, Fetter Lane, London EC4A 1HX).

Subject to the said conditions, payments by the London Secretaries and the London Bearer Reception Office will be made in United Kingdom currency at the rate of exchange quoted by the Company's bankers on 7th January, 1974, provided that in the event of the Company's bankers being unable to quote such a rate of exchange on that day, then the currency of the Republic shall be converted at the rate of exchange quoted by the Company's bankers on the next succeeding day on which such a rate is quoted.

Dividend warrants will be posted from either the Johannesburg Office or the Office of the London Secretaries, as appropriate, on 16th January, 1974.

South African Non-Resident Shareholders' Tax at the rate of 12.39 per cent. and United Kingdom Income Tax will be deducted from the dividend where applicable.

The share Transfer Books and Register of Members will be closed from 15th December to 22nd December, 1973 both days inclusive.

By Order of the Board.
C. A. I. CLARKE,
Secretary.

Head Office and Registered Office:
Consolidated Building,
cor. Fox and Harrison Streets,
(P.O. Box 590), Johannesburg.
3rd December, 1973.

SERJUNTAI TIN DREDGING BERHAD
(Incorporated in Malaysia)

The Transfer Books will be CLOSED from 26th to 31st December, 1973, both dates inclusive.

TOWLES LTD.

Notice is hereby given that the transfer books of the Company's 5 per cent. A Cumulative Preference Shares will be closed on 7th December 1973 for one day only for the payment of the dividend for the half-year ended 31st December 1973.

By Order of the Board.
M. WALPOLE, F.C.A.,
Secretary.

PLANT AND MACHINERY

FORK-LIFT TRUCKS, second-hand and reconditioned, choice of 70. Coventry Climax, Clark, Lansing Bagnall, Yale, Conveyancer, Hyster, Lancer Boss. Diesel, Electric and Gas operated also Side Loaders, ready for immediate delivery, lists sent on request. Birmingham Fork Lift Truck Ltd., 021-327 5944-5.

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Opening 5 December 1973
Daily 10-5.30. Sats. 10-12.30
Adm. free.
Fully illustrated catalogue in colour £1 post free.

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36 Dover Street, W1 01-493 7997
Christmas Exhibition
of Paintings under £2,000
Daily 9.30-6.00 Sats 10.00-12.30

SABIN GALLERIES
4 CORK ST., W.1. 734 6186
Early English Watercolours and Drawings
as Christmas presents
Mainly under £60
Until December 22nd

AGNEW GALLERY, 43, Old Bond St., W.1. 01-629 6176. ENGLAND AND THE SIECENTO—A Loan Exhibition in aid of the National Art Collections Fund. Until 7th December Mon.-Fri. 9.30-5.30. Thurs. 9.30-7.00. Sats. 9.30-1.00. Admission charge 25p. Students 10p.

ALPINE GALLERY, 74, South Audley Street, W.1. Tel 629 2280. One-woman exhibition of paintings by the 97-year-old artist E. MILLICENT HEATHCOTE. The charming recent works by this highly talented artist have great investment potential and this show gives collectors the opportunity of acquiring original Heathcotes at realistic catalogue prices. Also Oils and Watercolours of rare beauty by S. COLLING. Dec. 4 to 15. Weekdays 10 to 6. Sats. 10 to 1.

FRANK T. SABIN LTD., 4, New Bond Street, London, W1Y 9PE. "London As It Was." An Exhibition of Old Prints. Nov. 30th-Dec. 15th, Monday-Friday 9.30-5.30. Saturday 10.00-12.30.

HELLER GALLERY, 11, Henrietta Place, W.1. 636 8184. Contemporary Tapestries by well-known British and Continental Artists. 10 a.m.-5 p.m. Mon. to Fri.

KAPLAN GALLERY, 6, Duke Street, St. James's, S.W.1. AUTUMN EXHIBITION XIXth- and XXth-Century French Paintings. Mon.-Fri. 10-6. Sats. 10-1.

KAPLAN GALLERY, 6, Duke Street, St. James's, S.W.1. Christmas Exhibition—Paintings by HENRI DUHEM (1860-1941). Watercolours by THOMAS B. METEYARD (1865-1928). Daily 10-6. Sats. 10-1.

LEGER GALLERY, 13, Old Bond Street, W.1. Important Exhibitions of Old Masters and English Watercolours until Christmas. Daily 9-5.30. Sats. 10-1.

LEICESTER GALLERIES, 22A Cork Street, W.1. Annual Print show: Etchings by ROUAULT and other masters of the 19th & 20th Century. 10-5.30. Sat. 10-1.

LEFEVRE GALLERY. Important Exhibition of 19th & 20th Century Paintings, including works by: Braque, Courbet, Derain, Ernst, Forain, Kandinsky, Manet, Marquet, Monet, Picasso, Pissarro, Sisley, De Stael, on view until December 22nd. Weekdays 10-5. Sats. 10-1. 30 Bruton Street, London, W.1. 493 1572/3.

LUMLEY CAZALET, 24, Davis St., W.1. 01-499 5058. Japanese Print Makers TEIZO OGAKI and TAKESADA MATSUTANI. Until 21 December. Mon.-Fri. 10-6. Thurs. 10-7.

MARJORIE PARR GALLERY, 285 King's Rd., Chelsea, S.W.3. THE LEGAL SCENE. Paintings by PHYLLIS MACKENZIE. Open all day Saturday, closed Mondays.

MARLBOROUGH GRAPHICS LTD., 17-18 Old Bond Street, W.1. "DEATH IN VENICE" by John Piper. A new portfolio of eight screenprints. Daily 10.0-5.30. Sats. 10.0-1.00. Admission free.

OMELL GALLERIES, 40, Albemarle St., Piccadilly, London, W.1. British and European Paintings of Charm and Distinction and John Bentham-Dinsdale Marine Paintings. Ideal presents from £50. At 22, Bury Street, St. James's, S.W.1: FINE VICTORIAN PAINTINGS.

THE PARKER GALLERY, 2, Albemarle Street, Picadilly, W.1. Exhibition of old marine, military, sporting and topographical prints and paintings and ship models.

THACKERAY GALLERY, 18, Thackeray St., Kensington Sq., W.8. 01-937 5883. WINTER EXHIBITION. Until December 21st. Weekdays 10-6. Wed. 10-7.30. Sat. 10-5.

WILDENSTEIN : ROHNER. Paintings and Watercolours. 21st November-12th December. Weekdays 10-5.30. Saturdays 10-12.30. Admission Free. 147, New Bond Street, W.1.

CINEMAS (Cont.)

LEICESTER SQUARE THEATRE (930 5252) Julie Christie, Donald Sutherland DON'T LOOK NOW (X). Cont. Progs. 1.20, 3.20, 5.50, 8.25. Feature 1.25, 3.55, 6.30, 9.05.

ODEON, Haymarket. (930 2738-2771.) 40 CARATS (A). Progs. 3.00, 8.00. Bkble.

ODEON, Leicester Square, (930 6111) Eric Porter, Jeremy Kemp, Bill Travers, Rachel Roberts THE BELSTONE FOX (A). Cont. Progs. 1.15, 3.00, 5.30, 8.10. Feature 1.15, 3.45, 6.20, 9.00.

ODEON, Marble Arch. (723 2011-2). Peter O'Toole, Katherine Hepburn THE LION IN WINTER (A), 70mm, D150. Sep. Progs. 3.00, 8.00. Feature 3.10, 8.10. All seats bookable in advance.

ODEON, St. Martin's Lane. (836 0691: 1811). George Segal, Glenda Jackson A TOUCH OF CLASS (AA). Cont. Progs. 2.00, 3.55, 6.15, 8.30. Feature 2.10, 4.25, 6.40, 9.00.

PARAMOUNT, Lower Regent St. 839 6494. PAPER MOON (A). Progs. 2.00, 4.15, 6.30 (8.45 all seats sold). Sep. Perfs. All seats bookable. THE DAY OF THE JACKAL (A) now at UNIVERSAL

PRINCE CHARLES, Leic. Sq. 437 8181. "LAST TANGO IN PARIS" (X) Sep. perfs. dly. (inc. Sun.) 2.45, 6.15, 9.00. Lte. show Fri. & Sat. 11.45. Box Office OPEN DAILY. All seats bookable.

RIALTO. 437 3488. HONOR THY FATHER (AA). Progs. 1.00, 3.30, 5.50, 8.20.

RITZ, Leicster Sq. 437 1234. JESUS CHRIST SUPERSTAR (A). Progs. 2.30, 4.30, 6.40, 8.50.

SCENE 4, Swiss Centre, Leic. Sq. 439 4470. 25th Week, Pier Paolo Pasolini's "THE CANTERBURY TALES" (X) Sep. perfs. dly. (inc. Sun.) 12.30, 3.00, 6.15, 9.10, 12 midnight. Bookable.

STUDIO ONE, Oxford Circus. 437 3300. Laurence Olivier, Michael Caine SLEUTH (AA). Progs. 12.45, 4.00, 7.20 (inc. Suns.).

STUDIO TWO, Oxford Circus. 437 3300. THE FRENCH CONNECTION (X). At 4.15, 9.00. SICILIAN CLAN (A). At 1.15, 6.05.

UNIVERSAL, Lower Regent St. 930 8944. THE DAY OF THE JACKAL (A). Progs. 2.15, 5.15, 8.15. Sep. Perfs. All seats Bookable.

WARNER RENDEZVOUS, Leic. Sq. 439 0791. MALIZIA (X). Progs. 2.10, 4.10, 6.15, 8.20. Late Sat. 11 p.m.

WARNER WEST END, Leic. Sq. 439 0791. Paul Newman is the MACKINTOSH MAN (A). Progs. 1.80, 4.00, 6.15, 8.30. Late Fri. and Sat. 11.00 p.m.

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INTERIM STATEMENTS

BREMNER & COMPANY LIMITED
General Warehousemen

STATEMENT FOR HALF-YEAR TO 31ST JULY, 1973.

The Directors have declared an Interim Dividend of .875 pence per share which is equivalent to a gross dividend of 5% (1972—6%). This dividend will be paid on 1st February, 1974, to shareholders on the Register at 21st December, 1973.

The results for the half-year to 31st July, 1973, based on unaudited Accounts are:—

	1973	1972
Profit before Taxation	£231,972	£229,552
Deduct: Taxation	£ 84,000	£ 87,000
Net Profit after Taxation	£147,972	£142,552
Transfer to Taxation Equalisation Reserve	£ 19,000	—
	£128,972	£142,552
Less: Interim Dividend (Payable)	£ 48,300	£ 69,000(Gross)
Retained Profit	£ 80,672	£ 73,552

The Corporation Tax Provision for the current half-year has been calculated at an average rate of 46.7% and there has been deducted from this provision the credit for the notional Advance Corporation Tax in respect of the interim dividend paid in the period under review.

The Directors consider the results for the first six months to be satisfactory.

Bremner & Company Limited,
44 Glassford Street, Glasgow, G1 1UW.

Hintons

Supermarket and Food Store operators in North East England
The unaudited Interim Results for the 28 weeks to 15th September, 1973 are:—

	1973 £	1972 £
SALES	12,114,466	9,626,821
PROFIT BEFORE TAXATION	360,909	323,151
TAXATION—Estimated at approx.	49% 177,500	(40%) 129,200
PROFIT AFTER TAXATION	183,409	193,951
NET DIVIDEND PER 10p SHARE, payable on 21st January, 1974	0.975p	(equiv.) 0.91p

★ Sales increased by 26% and Profit before Taxation by approximately 11½%.

★ Trading in period influenced by Counter-inflation Legislation, pressure on gross profit margins and wage rate increases operative from February, 1973.

★ Sales for full year will exceed £23 million. A further large increase in wage rates operative from November, 1973, coupled with continued statutory restraint on margins, makes it difficult to forecast net profit for the full year.

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Joint Company Announcement.

FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED
PRESIDENT BRAND GOLD MINING COMPANY LIMITED

(Both of which are incorporated in the Republic of South Africa)

BOREHOLE SAP 9

The directors of Free State Saaiplaas Gold Mining Company Limited and President Brand Gold Mining Company Limited announce the following results for Borehole SAP 9, which is situated within the Free State Saaiplaas mining lease area, 2 550 metres north-north-east of the south-west corner of the lease boundary and 350 metres east of the western boundary:

	Depth Metres	Corrected Width cm	Gold g/t	Value Uranium kg/t	Gold Value cm.g	Uranium Value cm.kg
Basal Reef						
3rd deflection	1 670	17.0	98.00	2.26	1 666	38.33
4th deflection	1 670	13.6	203.02	3.06	2 761	41.66
5th deflection	1 670	13.9	48.92	0.90	680	12.47

Core recovery was complete in the 3rd and 5th deflections. In the 4th deflection, the intersection was incomplete because of core loss at the contact. Drilling is continuing.

Johannesburg.
4th December, 1973.

Company Announcement.

WESTERN ULTRA DEEP LEVELS LIMITED

(Incorporated in the Republic of South Africa)

BOREHOLE UD.27

The directors of Western Ultra Deep Levels Limited announce the following results for Borehole UD.27 on the Farm Buffelsdoorn No. 143 I.Q., District Potchefstroom, situated approximately 1 900 metres due south of the south-western corner of the Western Deep Levels Limited mining lease boundary:

	Depth Metres	Corrected Width cm	Gold g/t	Value Uranium kg/t	Gold Value cm.g	Uranium Value cm.kg
Ventersdorp Contact Reef						
5th Intersection (4th deflection)	2 929	15.5	7.68	0.08	119	1.19

Core recovery was complete. Drilling is continuing.
Johannesburg.
4th December, 1973.

Company Announcement.

WESTERN DEEP LEVELS LIMITED

(Incorporated in the Republic of South Africa)

BOREHOLE UD.25

The directors of Western Deep Levels Limited announce the following results for Borehole UD.25, situated in the south-western corner of the company's mining lease area, approximately 650 metres north-east of the south-west corner:

	Depth Metres	Corrected Width cm	Gold g/t	Value Uranium kg/t	Gold Value cm.g	Uranium Value cm.kg
Ventersdorp Contact Reef (V.C.R.)						
9th Intersection (8th deflection)	2 111	53.7	12.68	0.06	681	3.33

Core recovery was incomplete.
This intersection of the V.C.R. has been obtained in the course of the borehole being deflected and deepened, as previously reported, to intersect the carbon leader reef. Drilling of this deflection is continuing.
Johannesburg.
4th December, 1973.

The Barbican: a definable character emerges

By H. A. N. BROCKMAN, Architecture Correspondent

HE GRANDEUR and grimness the Barbican has already hieved something approaching e indefinable attraction of a stle which has matured over s centuries. Some people, wever, cannot admit that life such an inhuman collection cellular boxes is possible. e project needs looking at d appreciating from a more jective point of view. The geme is not yet complete; a jor element still lacking is Arts Centre, now emerging m the ground. Nevertheless, re is enough of this huge dertaking to enable one to asp the content and meaning the whole.

he architects, Chamberlin well and Bon, have been king on the scheme, in one y or another, since they sub-tted a report on the Barbican the request of the Corpora-n in 1955. It was then that Minister for Housing and cal Government, Mr. Duncan ndys, proposed the creation the area of a residential ghbourhood with schools, ops, open spaces and ameni-s "even if this means for-ng a more remunerative re-n on the land." The City ponded by adopting the pro-al as a matter of policy. irty-five acres are devoted to s great project, which is to use up to 6,500 people. The a was blitzed thoroughly in war—nearly every road, and below-surface services, had be removed. The Circle Line other London Transport es had to be re-routed, ered and insulated.

High level

There are three 43-storey wer blocks, and a series of orey terrace blocks rising m a platform which, with its leries and open areas, covers ge parts of the site and con-cts with the high level foot-y system throughout the mmercial zone to the north. tween the galleries and upper els are the landscaped ground el water gardens and menades which culminate ound the restored church of Giles, Cripplegate.

The Arts Centre, occupying acres, incorporates the ildhall School of Music and ama, the last block of flats, me shops and extensive site rks. In addition a theatre will provided for the Royal kespeare Company, and a cert hall for the London phony Orchestra, with conference facilities, cinema, art gallery and other amenities.

The Barbican: "ruthless consistency in the use of plain concrete"

Overall the architects have aimed at *cultivating* "a sense of individual character," which *in turn brings* with it a sense of place.

In this they have been entirely successful as no other inner city housing development in this country, or I fancy elsewhere, has been. The reason, apart from care in design, lies in the ruthless consistency of the use of plain concrete, poured *in situ* and not prefabricated to be brought to the site and bolted together. The result, *on this great scale, naturally* brings extreme reactions to the aesthetic impact. In the words of the architects "exposed concrete surfaces have been tooled to emphasise their strength and monolithic quality . . . and should weather to an overall stone grey with a minimum of streaking."

Streaking

I don't think the latter hope is being fulfilled. There is considerable streaking on the inward curves of balcony fronts, and although the tone is truly stone-grey, the fact that the concrete is monolithic means that the overall tone on these *enormous* towers and long terraces is lifeless. It is the design of the towers, their craggy silhouette, which gives them their great strength of character. Streaking, in the still polluted atmosphere of a city centre, will surely intensify. But can this itself modify to advantage the hodden greyness of many of these surfaces?

This major criticism must not be allowed to minimise the breadth and embracing fullness of the scheme. The sense of place is always and splendidly inescapable. The great projects *of the past, however magnifi*cent, were careless of the comfort and service of individuals. But here, and in any comparable situation, such basic refinements are provided as a matter of course. Because of these sophisticated present-day provisions it is inevitable that there should be many teething troubles and these, combined with individual opinions on the shortcomings of internal plans and the external access from, to and within the 35-acre complex, lead to a number of readily publicised criticisms.

A tour through the site can defuse many of these by bringing to notice the general composition of the lay-out. If the Barbican is approached from the southern corner, over the bridge leading across Fore Street from the City Museum, *you enter* the gallery, at podium level of the 6-storey flats. This block forms nearly four sides of a quadrangle containing a water garden, lined on its eastern side with 2-storey terrace houses below podium level, with garages for them and the flats above. From the south-western side of this block, the high level footway leads across the well-planted area around the church of St. Giles, with the building for the City of London School for Girls in its northern angle. Further quadrangular blocks and courts to the west complete the southern area of the site.

Dormers

A *striking feature* of the *lower* residential blocks is the arrangement of coupled dormer features which line the roofs. *These topping the horizontal* deep-set window bands below, give a final touch which brings a friendly domestic air to the enclosures of *garden courts*. One criticism by residents is that there is too much brick paving, too much water and insufficient grass. As to the latter it would seem impossible to emulate the Temple, for instance, where grass is plentiful but residents relatively few.

The City is bearing the full burden of the cost of the Centre, now estimated at £33m. It seems to me, and to others, that during this highly inflationary period the obvious way to raise the money and to relieve City ratepayers is by lottery. Why not, when the *Government itself offers money* prizes to savers?

One sad casualty of an earlier scheme was the dropping of a proposal to re-erect J. D. Bunning's Coal Exchange as the central feature of the school of music. The elegant little building, with its circular, domed and galleried interior, was to have been converted by retaining its central court and using the rooms opening off the surrounding galleries for rehearsal and study. The rejection of the proposal was a sorry decision for which the Corporation must bear the blame. It was apparently unable to visualise the importance of such a period centre-piece in that position.

Environmental pressures and the oil crisis may give canals a new lease of life, reports **Guy Hawtin.**

Waterways Board finds new friends

IT IS difficult to believe that, less than a year ago, the British Waterways Board, which controls most of Britain's commercial waterways, was resigned to a coup de grace from its masters at the Department of the Environment. But to-day it is seeking enabling powers from Parliament for an important improvement scheme in Yorkshire—preliminary permission for which has just been granted by Mr. Geoffrey Rippon, Secretary for the Environment.

The Board's survival is something of a mystery. It has precious few friends at the DE, which planned the Board's abolition during its reorganisation of the water system. The Board's network of canals was to be broken up and handed over piecemeal to the new regional water authorities.

Ostensibly the Board survived because it was too much trouble to kill it off. It had inherited powers and duties contained in hundreds of Acts of Parliament which had arisen from Bills sponsored by private bodies, such as local authorities and the old canal companies. To abolish the Board, the Acts would have had to have been revoked. But this would have needed a "hybrid" Bill to which the sponsors of the original Acts would have been entitled to object at a series of hearings. It was said that this process would have been so long and drawn out that reorganisation of the water system would have been indefinitely delayed.

Opposition

Whether this is the whole truth is a matter for debate. Few Government proposals have aroused such vociferous and effective opposition as the plan to abolish the Board. The DE, it seems, reckoned without the small-boat lobby. The campaign also attracted environmentalists who, faced with the threat of juggernaut lorries, saw the canals as a more acceptable method of long-haul transport.

The result is that inland waterways are enjoying a bout of popularity unprecedented since the late 18th century. Far from their being written off as outmoded, learned papers describing them as the transport system of the future are being taken seriously.

There is still no more enthusiasm at the DE: while permission was granted for the British Waterways Board to seek enabling powers for the £2m. scheme to improve the Sheffield and South Yorkshire Navigation, loan sanction to raise the money is still being withheld. But the Board, with a flair for public relations rare in a nationalised industry, has had success in neutralising the animosity. It appears confident that the money will be forthcoming and that the project will go ahead. The feeling seems to be that the scheme will be a success and once this has been demonstrated, there will be no holding the Board back.

Confidence

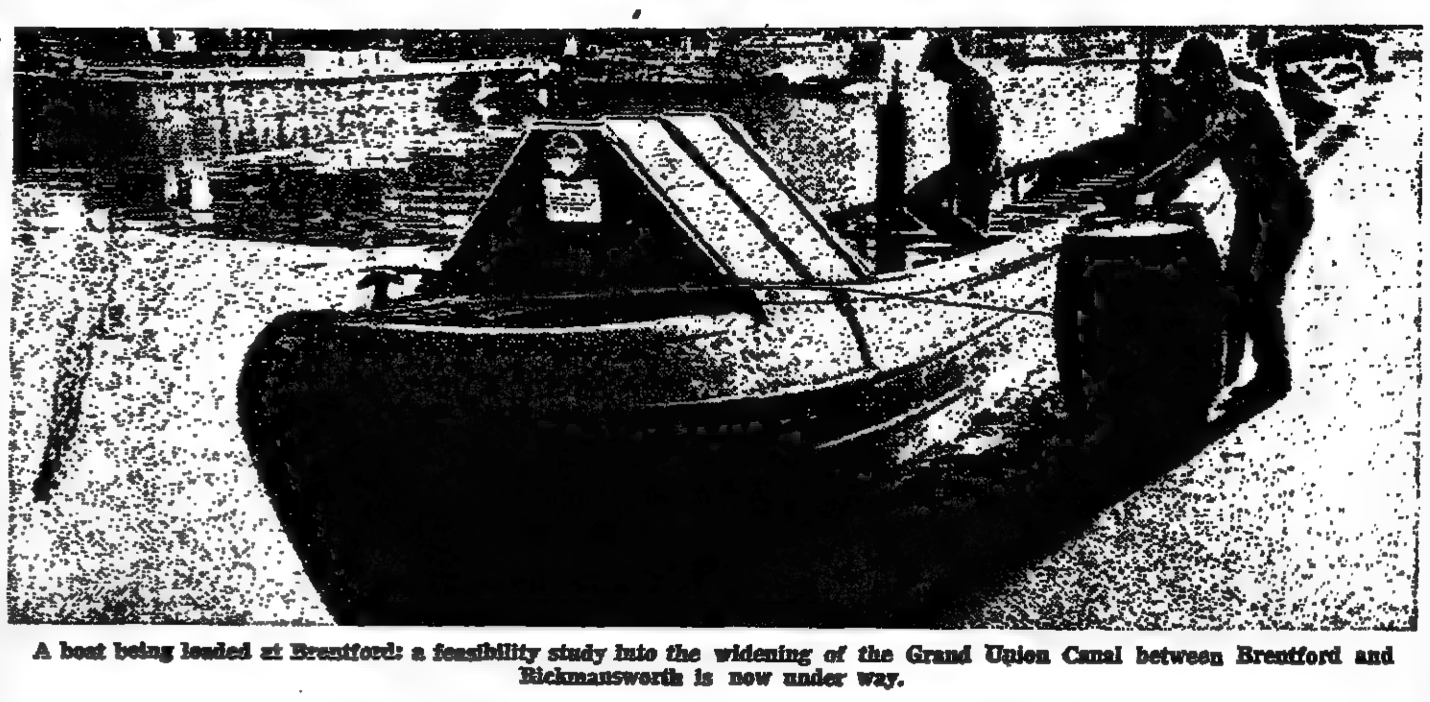
The current oil crisis is adding to the Board's new-found confidence. Sir Frank Price, its chairman, has not been slow to point out the economies water transport can offer. A ton of freight can be shipped 250 miles by water on one gallon of fuel compared with only 58 miles by road. This, of course, appeals greatly to the conservationists.

Another factor the water transport supporters are pushing is the benefits inland water ports could bring to some of Britain's depressed areas, particularly in the North. The belief is, though it is still only a belief, that inland port facilities offering cheap transport to the sea would encourage investment by export-based industries in the regions and offset the southwards shift that has been further stimulated by membership of the EEC.

But the waterways also have their supporters in cities, not least in Greater London. Sir Reginald Goodwin, now Leader of the Greater London Council, made water transport an important feature of his campaign during this year's GLC elections. The Labour Party regained control of the council and it has just been announced that the GLC is to join the British Waterways Board in a £20,000 feasibility study of possible improvements to enable freight carriage on the Grand Union Canal.

This is the first practical move by the Labour-controlled GLC to fulfill the undertaking in its election manifesto to make greater use of London's waterways. Essentially, there is nothing very new in the scheme, which involves the widening of about 17 miles of canal between Brentford and Rickmansworth so that barges of up to 500 tons can be carried. The plan has been on British Waterways Board stocks for a number of years.

The Sheffield and South Yorkshire Navigation improvement scheme—to which Mr. Rippon has just given preliminary consent—involves the widening and deepening of the canal and its locks to enable the new 700-ton barges to travel as far as Rotherham. At present 100-ton barges are used. There is a great deal of support in the area for the plans. Local authorities, commerce, industry, trade unions and political organisations have all endorsed them enthusiastically. Rotherham has a scheme to develop an inland "Rotherport" which it believes could bring some prosperity and development to an otherwise depressed area.



A boat being loaded at Brentford: a feasibility study into the widening of the Grand Union Canal between Brentford and Rickmansworth is now under way.

Technology

The Sheffield and South Yorkshire Navigation and Grand Union schemes illustrate the waterways' answer to the "container revolution." There is no "water gypsies" romanticism about the massive new barges. Waterways men look on them as floating containers to be push-towed in strings to the sea and swung aboard special barge-carrying vessels. Britain has hardly been in the vanguard of new canal technology. The British Waterways Board has not had much spare capital available for investing in research and development.

The running in the technology field has largely been made on the Continent and in the U.S., where inland waterway transport plays a far larger part in the economy. Compared with the rundown of British waterways, the Europeans have been investing large sums in improving and extending their systems. When the Rhine-Danube canal comes into operation it will be possible to send goods by barge from Rotterdam to the Black Sea.

In barge technology, the Americans have largely led the way with the LASH system (Lighter Aboard Ship). The British Waterways Board was involved with the Danes in developing a smaller European answer to LASH called BACAT (Barge Aboard Catamaran) which would be more suited to shallower estuary waters. But uncertainty over the Board's future last year ended British participation. The first BACAT ship was launched in Denmark this autumn and will be operated by the Holland-America Line instead of the British Waterways Board.

Opponents of the waterways contend that investment and development on the Continent have little relevance to Britain where few industrial centres are more than 50 miles from the coast. But, economies of cost, both in terms of cash [...] environmental damage, app[...] to be winning converts. Besi[...] Continental operators of the [...] barge carrying ship syst[...] would obviously wish to ext[...] the maximum amount of ben[...] from their investments. [...] inevitably leads to pressure [...] the maximum exploitation of [...] British waterway system.

Already there are signs [...] this pressure is starting to b[...] up. The London Chamber [...] Commerce and Industry is [...] terested in encouraging the [...] of waterways.

Ill-prepared

It is understood that [...] Chamber, together with [...] GLC, will launch a major [...] motional effort to encourage [...] dustry to make full use of inl[...] water transport when the [...] BACAT ship visits the Por[...] London early in the New Y[...]

A problem is that the Bri[...] Waterways Board is ill-prepa[...] to cope with a sudden surg[...] interest in commercial w[...] transport. It has ideas, [...] starved of cash as it is, it [...] little chance of putting t[...] into operation. The Board [...] trols 2,000 miles of water[...] of which only about 350, [...] cluding certain estuary wa[...] are used commercially. [...] transport division has [...] tently returned fairly [...] profits in recent years but [...] burden of the cruising [...] "remainder" waterways req[...] heavy underwriting from [...] Government.

Government support never [...] been available in suffic[...] quantities to make a dent on [...] essential maintenance [...] grammes. The board is [...] £30m. behind in these [...] grammes and some of the [...] commercial waterways are [...] dangerous condition. Sir Fr[...] Price points out that the mo[...] will have to be spent soone[...] later, if only to protect life [...] limb. It seems that infilling [...] no answer as in most case[...] is far more expensive t[...] reasonable maintenance.

Sir Frank takes a pract[...] approach to the canals that [...] board believes are commerci[...] viable. "If you have to sp[...] money on maintenance," he sa[...] "why not spend a bit more [...] get a good return on the investment?" But, for that, he wo[...] need a few friends in the [...]

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WOODWORKING MACHINERY

FINANCIAL TIMES REPORT

The International Woodworking Industries Exhibition opens to-day in the Grand Hall, Olympia, London, and continues until Saturday next, December 8.

Learning to live with Europe

By CHRISTOPHER DUNN

One approach to the woodworking machinery industry is via a comparison with the other side of the machine-tool sector, metal-working production. On this basis, woodworking machinery manufacturers are completely dwarfed in both size and significance. Annual turnover of metal-working machine-tools in this country is in the region of £200m., and the level of orders is a key indicator of the level of U.K. business confidence.

By contrast the woodworking machinery industry is tiny. Turnover is probably less than £15m., although it is difficult to quantify this figure precisely since exact records are not maintained. A recent survey listed fewer than 20 manufacturing companies in all, and of these, only two, Wadkin and Thomas Robinson, are quoted: their joint market capitalisation is around £6.5m. Wadkin dominates the industry, and could account for over 50 per cent. of sales by British manufacturers in this country.

The problems which each industry faces are also different. On the metal-working side, the major difficulty in recent years has been coping with the highly cyclical trend in demand. On average, orders have peaked every four to five years, to be followed by a sharp downturn in sales. At the end of 1971, total new orders were only 63 per cent. of the 1969 level.

Sales of woodworking machinery have not been nearly so cyclical. Since 1967, Wadkin, for example, has experienced only one set-back in sales growth—a downturn of £400,000 in 1971—while some of the smaller manufacturers have demonstrated an even stronger sales trend. Turnover at Interwood, one of the leading U.K. manufacturers of routers, has increased from £1m. in 1969 to £1.6m. in 1972; sales of Stenner of Tiverton, sawmill manufacturers, have shown steady growth during the past five years.

The industry's main problem appears to be learning to live with a closer European contact. In a sense, this is surprising, since woodworking machinery usage in this country has always been affected by developments on the Continent. Between 1930 and 1972, the percentage of foreign machines bought in the U.K. has risen from 15 per cent. to well over 40 per cent.

Central body

In essence, the manufacture of woodworking machinery in Europe takes place under the aegis of EUMABOIS, a trading association formed from the nine major manufacturing countries. Set up in 1960, the organisation aims to co-ordinate majority interests in a number of spheres. Its technical committee has concentrated on drawing up common measuring standards, and is now investigating the problem of noise in the industry, while its economic committee is involved in the setting-up of a European data bank for the industry. The final activity, conducted through the public relations department, is the formulation of a uniform and acceptable exhibitions policy.

This has certainly foundered in the U.K. and also appears to be disintegrating in Europe. Official policy has always been to co-ordinate national exhibitions to the benefit of both exhibitors and potential customers. A biennial schedule for each member country has gradually been established, on the basis that reducing the frequency of exhibitions will enhance their value. The traditional focal point has remained the Hanover Fair, because of the dominant position which the Germans occupy in the industry.

Two developments have occurred to challenge this established order. First, the space absorbed by woodworking exhibitors at Hanover has expanded to the point where it would be feasible to run a separate exhibition devoted entirely to the industry. In 20 years, the number of exhibitors has tripled, while the space occupied has risen from around 9,000 square metres to over 35,000 square metres.

During the past decade, however, the Italian wood-working machinery industry has grown rapidly, and has reached the stage where in certain areas it is rivalling German pre-eminence. So the Italians' next fair, Interbimall in May, 1974, is scheduled to be even bigger than Hanover.

Thus the move by Germany to shift the date of its next exhibition from May to October in 1975 assumed sinister connotations in Italian eyes, since it brought the timing dangerously close to the Interbimall of 1976. The fact that this has been presented as a *fait accompli* runs counter to the democratic policy which EUMABOIS aims to promote, and has led the Italian delegation to threaten resignation.

These fissiparous tendencies have been faithfully copied in the U.K., although the size of the market gives the dispute a slightly Clochemerle-Babylon flavour. Traditionally, woodworking machinery formed part of the Building Exhibition with the British element of EUMABOIS, the Machine Tool Trades Association, acting as organiser. This looked appropriate, since the major sales effort by U.K. manufacturers concentrated on joinery equipment.

The expansion in sales of woodworking machinery—which again made a separate exhibition look a viable proposition—was stimulated by growing demand from another quarter, furniture companies. The product range offered by British manufacturers, however, did not cater for the sophisticated labour-saving machines required, so importers of Continental models filled the gap.

When a separate exhibition was eventually set up—Wood Technik in 1970—it was, not surprisingly, supported by the importers. The commercial potential was clear while the difficulties of representation at EUMABOIS (which is a manufacturers' association) enhanced the attractions of independence. To date, three "rogue" exhibitions have been staged, thus torpedoing the official biennial policy. Meanwhile, relations between the importers and U.K. manufacturers have degenerated markedly.

Thus, the International Woodworking Industries Exhibition (IWIE) which open to-day at Olympia, does so against a stormy background. This is the official MTTA-supported show, which has now split off from the building exhibition, and gone independent. Given that this is the third major woodworking fair in six months, sceptics would suggest that the commercial potential looks slim.

Largely untapped

The point to make, however, is that manufacturers are supplying a market whose potential is still largely untapped. The case for growth is based on the familiar change-of-taste story in the furniture industry. Although per capita spending in the U.K. has doubled since 1969 to over £6,* it is still low by European standards: Belgian and Dutch levels are £11.75 and £10.60 respectively, while the average German spends a massive £21 a year on furniture. So annual sales for domestic furniture of £350m. could theoretically double before spending reached Continental levels.

The twist to the story is that European furniture makers have realised this, and the push into the British market is beginning. The response by domestic manufacturers to increased demand has been to try to effect the switch from a labour to a capital-intensive industry as fast as possible. A sales gain of 223 per cent. [...] kitchen furniture since 1968 [...] evidence not only of the fre[...] markets which are developi[...] but of the way in which the ne[...] technology is being utilised.

Nevertheless, an annual av[...] age output per U.K. operati[...] of less than £4,000 for the [...] dustry (compared with G[...] many's £8,500) puts a tim[...] investment record into perspe[...] tive, as well as quantifying t[...] scope in the annual turnover [...] woodworking machinery. [...] also does the fact that last ye[...] Switzerland's investment in [...] industry grew by 34 per cen[...] Austria's by 26.5 per cent., wh[...] Britain's increased by 6 p[...] cent.

The industry should contin[...] to grow over the medium-te[...] then, especially since, sooner [...] later, Continental manufactur[...] will establish their own produ[...] tion facilities in the U.K., th[...] heightening the competition f[...] domestic operators. On the fa[...] of it, then, both sides in t[...] current dispute should begin [...] draw together, in order [...] exploit booming demand: t[...] lines of demarcation should bl[...] as manufacturers take on mo[...] agencies to broaden existi[...] product ranges. The logical ou[...] come would be a merging of t[...] two exhibitions, and it is hop[...] that this may happen by 1975.

* *German Furniture Indust[...] by Furniture Industry Resear[...] Association.*

Competition puts fresh emphasis on marketing

By DAVID WRIGHT

With countries such as West Germany, Italy and France expanding fast in the field of woodworking machinery the industry from the point of view of the U.K. manufacturer has become one of intense competition. This has forced the U.K. manufacturers to make considerable changes in their style of operation, with particular emphasis on marketing. Here there has been a need to build up a comprehensive geographical spread of selling agents overseas, while some companies have even gone so far as to form foreign-based marketing subsidiaries. In the home market the manufacturers have been forced to rationalise product lines and fill the gaps with imported machines which are marketed through their own agencies.

The threat of these European countries to the U.K. woodworking machine manufacturers has naturally been exaggerated by Britain's entry into the EEC—although, to be fair, the real effect of this has not been felt to the full with home orders strong on the back of boom conditions in the furniture and building industries. But the position is clear enough should the U.K. market enter one of its renowned cyclical troughs. Italy now has about 200 sizeable manufacturers of woodworking machinery as against about 10 some 10 to 12 years ago, while U.K. companies repeatedly find it difficult to compete with German equipment both in price and delivery dates.

The biggest inroads made by European manufacturers in the U.K. market has been in the furniture finishing lines and it is significant that this area represents one of the main shortfalls in the U.K. manufacturers' product range. This, of course, does to a certain extent reflect the drive to rationalise product lines particularly where the products overlap with competitors, and to replenish the range with specialist overseas machines

This marketing set-up in the U.K. seems to be working fine, at least for the moment, but overseas the trading climate is that much better. British-based companies need a substantial export content in their turnover to act as a reasonable buffer against the sharp ups and downs of the U.K. market. But overseas the demand is often for a different style of machine, while the U.K. manufacturer has the added burden of competing with the foreign companies in their own backyard. The main problem here is that European companies tend to work to a much shorter order book than U.K. companies and as such can give a far quicker delivery date.

Fairs display

To combat these problems the U.K. manufacturers have had to gear themselves up to the requirements of overseas countries in an effort to capitalise on the many opportunities available. Trade fairs are used extensively by U.K. manufacturers to display their more recent product lines to potential overseas customers. The fair at Hanover is regarded as the largest for woodworking machinery although this year the one in Italy is expected to be larger.

The immediate success gained at these fairs is difficult to ascertain and many companies purely use them as a prestige exercise with the view of making a spearhead in any one particular overseas market. Thomas Robinson for example exhibited at the Louisville, Kentucky Fair and this has put the company on the map in the U.S. market. On the other hand, Wadkin, which is probably stronger than Robinson in Europe, had a good level of orders during the Hanover Fair.

Apart from the use of these fairs, the major British manufacturers have set up overseas marketing companies which are not only better equipped to sell British products but also just what products can best fit the needs of foreign customers.

In August, 1971, Wadkin formed Wadkin GmbH as a launching pad for boosting the company's sales in the EEC and the Eastern bloc. The timing of this new operation was ideal, in that it coincided with the introduction of Wadkin's Timber Tape range of woodworking machines, the world's first commercial application of numerically controlled techniques in general-purpose woodworking machinery.

The benefits from the opening of this company are now filtering through to the parent. The success of the operation has been such that Wadkin formed another marketing subsidiary [...] France this year. This compa[...] is 70 per cent. owned by Wadk[...] and 30 per cent. by Steineman[...] France, a subsidiary of Stein[...] mann of Switzerland, whi[...] manufactures sanding machin[...] and fully automated finishin[...] lines.

Robinson's overseas streng[...] lies in South Africa, Austra[...] and South East Asia, where [...] has resident subsidiaries, b[...] even here the company is no[...] feeling the pinch of Europe[...] competition, and it is significa[...] that in the last annual repo[...] the chairman was looking for [...] drop in exports.

Further inroads

The success of both Wadk[...] and Robinson in their overse[...] marketing operation shows t[...] importance of on-the-spot sal[...] companies. But having sa[...] this, the U.K. manufactur[...] can hardly rest on their laure[...] Further inroads into overse[...] markets, in particular Euro[...] need to be made, accompani[...] of course by a steady flow [...] new products, before t[...] medium-term picture can [...] viewed with any confidence.

The recent experience of R[...] inson shows that U.K. ma[...] facturers cannot afford to [...] complacent, particularly as t[...] benefits from the currency [...] alignments could be wiped o[...] by extended delivery dates. [...] this end the U.K. manufact[...] ers are bound to view t[...] results from the Internatio[...] Woodworking Exhibition [...] Olympia with even great[...] interest.

WOODWORKING MACHINERY II

Companies and their products

WILLIAM COCHRANE

Compared with the Continent Europe, the U.K. woodwork- machinery industry could be cribed as small, with a ten- ey towards generalisation her than specialisation.

A report prepared in 1969-70 lysed the woodworking chinery and process equip- nt used in the U.K. furniture ustry. It covered 6,742 chines, and found that 73 per t. came from the U.K.; but veneering and finishing ds were dominated by man machines and imports the fields of veneering, sand- and finishing had increased fold in four years.

U.K. machines were generally the basic types which were quickly superseded and average age tended to be h. Imported machines, erally, were in fast develop- process areas and thus of re recent manufacture. Of machines bought since 1966, per cent. were bought ause no U.K. equivalents re available.

Talk to a major U.K. wood- king machinery manufac- er, and he would probably e that these points are still three or four years later.

In the past decade, the elopment of techniques for ufacturing furniture has ely concerned finding alter- ve manufacturing methods. Europe, contrasting with the wood-cutting orientation of Wadkin, the U.K. major, this development has involved grain printing, edge banding, veneering, with mass-produced panel type furniture based on chipboard—which, with its flat surface, offers less scope for wood cutting machinery in any case.

Wadkin, certainly, has not strayed into these fields. This company, the biggest in the U.K. and reckoned to be a world leader in wood-cutting, is in a transitional phase between being totally generalised and concentrating its time and investment in specialised wood-cutting functions which will enable it to compete with the particular strengths of its German and Italian contemporaries.

The Germans, and the Italians saw very early in the life of the EEC that (a) the furniture industry was liable to be using less wood and that (b) a wider European market offered the prospect of concentrating very profitably on a specialised range or product.

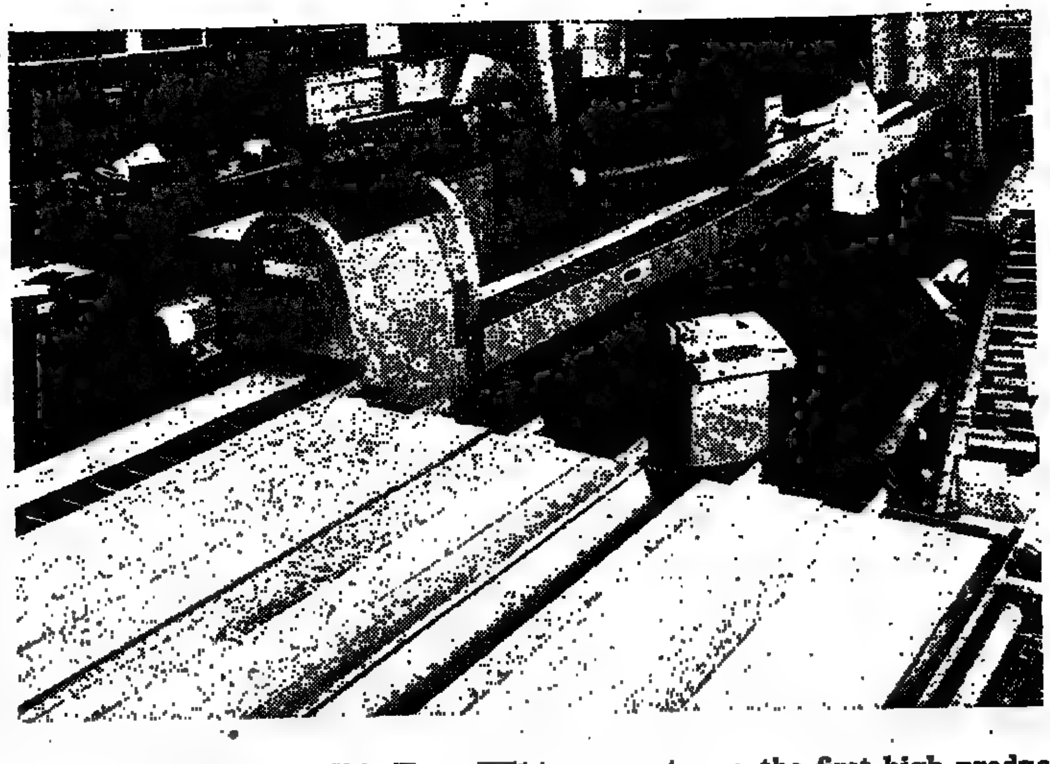
The result is that, compared with less than 20 companies in the U.K., there are 225 or so in Germany and over 200 in Italy as well. Expressed in terms of Swiss francs, 1972 woodworking machinery investment in Germany was Sw.Frs.700,000m., against Sw.Frs.500,000m. in Italy and only Sw.Frs.83,000m. in the U.K. Even France was way above the U.K. in both of these respects—48 companies and Sw. Frs.210,000m. of investment.

Very competent

According to Wadkin, none of the German or Italian companies —or, for that matter, its U.K. competition either, with the exception of Thomas Robinson, the Rochdale-based group which goes in for flour milling machinery as well as woodworking plant—is anywhere near its size. What it sees over there are very many small companies specialising in a very small range, often single product but very competent in their own particular areas.

Wadkin tends to see the Germans as specialising in large sophisticated machines and the Italians on smaller, single purpose equipment. As for France, the word is that Guillet, the largest French woodworking machinery manufacturer, is putting its manufacturing interests up for sale: their profitability, apparently, is relatively low.

On the other hand, the U.K. Furniture Industry Research Association would say that, originally, the Germans might have been heavier. But now, it adds, there are a number of Italian companies, especially in the Turin area, which have gone up the market. Previously willing to settle for a light pressed steel fabrication, they now tend to go for a heavy cast iron base to get the accuracy they need: the Italians, apparently, are also very strong now on numerically and computer controlled equipment.



The revolutionary Wadkin-Hurn TT14 cross-cut saw, the first high production woodworking system to use a mini-computer.

For Wadkin, therefore, a commitment to specialisation still involves it in a number of problems. With the building and packaging industries going on much as before, which means a relatively high use for wood-cutting plant, it had to decide whether the furniture industry's tendency to use less wood—largely because of the sheer cost of the stuff—should steer it into the side areas like grain printing, edge banding and so on.

With an acknowledged dominance in woodcutting machinery for the U.K., South African, Australian, Canadian and even the U.S. markets, it might have been spreading itself too thin to go for these other processes as well. So it had to decide, first, how to give a comprehensive service to the U.K. market; and secondly, how best to compete on the Continent against vigorous local competition.

In the U.K., Wadkin has achieved the rationalisation of its own product range, along with maintaining the horizontal spread of lines to satisfy home customers' needs, by forming relationships with German, Swiss, Italian, Dutch and other Continental specialists. Much in the way that some of the specialist manufacturing, metalworking machine tool groups operate in this country, it has U.K. agencies for the best of the ranges of its Continental competitors.

The agency subsidiary has one of the best growth rates in the Wadkin Group and with Wadkin taking by far the biggest single amount of space at the Olympia exhibition, about half the machinery it will be showing at Olympia will be from this sort of source.

Business in Europe, as might be expected, is very tough. But Wadkin has been operating there for many years and, with increased market share as its basic European strategy, it has selling companies of its own in Frankfurt and Paris, as well as the best agencies it can find in other countries.

Local manufacturers

It did have thoughts about local manufacturers. But as tariffs come down within the EEC, second-line production in Europe becomes less and less attractive—even though there may be sense in this idea in some other parts of the world. And for the front-line U.K. manufacturing units, of course, economies of scale are still very important.

The attractions of the EEC are simple. Consumption of timber per capita is very much higher. As nations of flat dwellers rather than householders, housing interiors are more important than bricks, mortar or gardens. This is one U.K. sector, therefore, which can take heart if U.K. house price inflation continues through the 1970s.

Importing agencies have been doing well

CHRISTOPHER DUNN

Most of the attention which woodworking machinery im- rting agents have commanded ing the past three years has n concentrated on the dis- te with the Machine Tool des Association (MTTA). is arose, formally, out of a agreement over exhibition icy. Although it had been erally agreed for some time in the trade that demand woodworking machinery was ing sufficiently strongly to rant launching a separate v, support for change was illed, in real terms, by the orters. The prime backer of suggestion by Westbourne ibitions to start Wood hnik in 1970 was H. gbert, the major importing ...y.

Although the experiment has ved successful to date — fact that official exhibition cy as defined by EUMABOIS been disrupted has left ufacturers and importers ply divided. Attempts to et a reconciliation and a mon strategy have so far n unsuccessful. The writ ed against the President of MABOIS, Mr. Peter Brook- ..., indicates the extent to ch relations have been ted.

Trade statistics

n trading fundamentals, ever, the agencies must done extremely well dur- the past three years. Some cation of the way demand taken off is provided by the seas trade statistics pre- d by the DTI. Between and 1972, imports by value woodworking machinery e than doubled to £4.7m. could double again during current calendar year alone. d imports for the first nine ths reached £6.4m.

German imports have virtu- tripled from £1.1m. (1970) 3m., while the Italian con- tion has accelerated from ,000 three years ago to n. Thus, quadrupled turn- by Schubert since 1968 s hardly surprising. Given that imported machines unt for approximately 60 cent. of total woodworking inery sales in the U.K. e was always a sound com- ial reason for going it e in 1970, and this also fied the risk of a split with MTTA.

In essence, the importer has d himself in a uniquely ntageous position. Gradu- the U.K. furniture manufacturer has woken up to the possibilities created by the new woodworking machinery technology—it has been suggested that there is a generation factor involved here as much as anything else. Although the products offered by U.K. manufacturers generally fulfilled the furniture makers' needs, the fast developing process areas which gave better opportunities of making the switch from labour to capital intensive production were poorly catered for, so the importer became an essential link.

A recent report on the industry quantifies this point in some depth. Imports of veneer application machines, sanding machines and finishing equipment—where the major gaps in the product range occurred—increased six-fold between 1966 and 1970, and conceivably the rate of growth could have accelerated still further since then. Of all the machines imported since 1966, 63 per cent. were purchased because no U.K. equivalents were available, while product superiority was the governing factor in only 9 per cent. of imports.

Plainly, in this instance, the wide range of machines offered by U.K. firms has been outdistanced by the specialisation of the European counterpart. Most British companies normally make around 10 machines, dominating the cheaper end of the range, while of the 18 German companies surveyed, more than 30 per cent. produced only one machine.

Theoretically, this situation should persist indefinitely, while profits for the agencies ought to maintain their upward trend. The furniture market's real growth potential has still to be exploited, and the levels of investment in woodworking machinery are still low by Continental standards. In addition, the five major agencies only look after about 100 companies between them, while the total number of woodworking machinery manufacturers in Europe of any consequence is around 500, so there is plenty of scope for adding to the current range.

Whether this scenario is effected in practice is another matter. In this sense, the recent formation of the Woodworking Machinery Importers Association, although ostensibly aggressive, could in fact have defensive connotations. In broad terms, the future seems more beset with problems than strewn with profits.

The quality of service offered by the importing agencies has come in for considerable criticism. The decision by a manufacturer to introduce a flow-line is both costly and complex—a fully automated linked system could cost up to £1m. and would need to be integrated within the manufacturing space available. Frequently, however, the machines selected reflect the range of franchises enjoyed by the agent rather than the needs of the customer.

The chaos generated by the breakdown of one machine in a multi-national flowline can be considerable, while the low level of engineering expertise frequently displayed hardly seems to justify the commissions levied; these can be as high as 10 per cent. The move to offer a consultancy service looks eminently sensible but its effectiveness in practice remains to be seen

Not only do the larger firms prefer to organise layouts themselves, but U.K. manufacturers are also taking on more franchises now to broaden their own ranges, and the engineering back-up here is more assured. The paradox then is that as the U.K. market is gradually opened up, and buyers become more sophisticated, both in terms of machinery purchased and replacement policies, the agencies' take could be squeezed.

Another threat is posed by Wehrmann. This is a German-based firm which has recently begun operating in the U.K. Initially a dealer in secondhand and reconditioned machinery, its financial muscle has been built up to the point where it can promise to supply direct from the manufacturer throughout Europe. By guaranteeing purchase at the manufacturing end, it exploits the specialisation which prevails in Germany, while the European spread of bases at the supply end means effectively that it is importing over the heads of the agencies and threatening their franchises.

Rapid growth

The other ingredients in the operation are a high level of consultancy expertise, which can not only advise on factory layouts et al, but also provide alternative productive facilities while the transition is being effected. The movement into the U.K. looks particularly timely since one of the group's major areas of strength is advising the smaller manufacturer who is thinking of making the big leap forward in terms of capital expenditure.

The scale of the group's success so far is indicated by its rapid growth in turnover—around 30 per cent. per annum since 1969—and although such an aggressive sales organisation is likely to generate considerable hostility, the value of inquiries received to date suggests that the initial reception in the U.K. has been enthusiastic.

Another area where the agencies as a whole fall down is in the provision of financial services. The decision to lease or buy is a fairly crucial one, in the context of a developing firm's future cash flow/tax position, but normally, the company is obliged to make all the financing arrangements itself.

Broadly speaking, then, the agencies, despite the excellent prospects for woodworking machinery sales, could be in for a difficult time during the next few years. The relatively casual way in which franchises have been arranged in the past has made it easy for small under-capitalised operations to set up as importing agencies, without the necessary expertise or financial muscle to justify the commissions. In this sense, the role of the Woodworking Machinery Importers Association may be to facilitate the merger movement which it is felt is now likely to occur.

Weaker again on oil crisis

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Dec. 3.

THE MARKET plunge moved into its sixth week as investors continued to consider the implications of the energy shortage on corporate profits, inflation, and unemployment.

Exerting downward pressure on the list too was the announcement by First National Bank of Chicago that it was raising its prime rate to 9.90 per cent. from 9¾ per cent. This followed close on the heels of an earlier ¼ point boost to 9¾ per cent.

Another item which seemed to disappoint investors was a report from Mr. Roy Ash, the President's Budget Director that the Administration no longer expected to balance its Budget in the current fiscal year. Mr. Ash blamed the assessment on the economic slowdown resulting from the fuel shortage.

The Dow Jones Industrial Average closed 15.73 lower at 806.52 after a late rally. It had earlier fallen as low as 802.08.

The Transportation Index fell 3.06 to 172.12; Utilities shed 1.53 to 86.40; and the Stocks Index lost 4.78 to end at 253.92.

General Electric, the day's most active stock, fell $3¼ to $60 on 214,600 traded issues. General Motors lost a point to $47¾. The company said its December lay-offs would total about 137,000 in the U.S. and Canada due to production curetailments.

Grand Union surrendered $4½ to $11⅞. Other point-sized losers included Mcdonald's Corp. down $1⅞ to $49, General Dynamics down $2¼ to $22, Xerox down $4¼ to $122¼ (ex-dividend), and Eastman Kodak down $2½ to $111⅞. The latter attracted bearish comment at the week-end.

Also in retreat were Heublein off $2⅞ to $47, Time Incorporated off $2⅜ to $26⅜, Ual Incorporated down $1¼ to $19, Coco-Cola $3⅜ lower at $126⅜, Honeywell $2¼ down at $76⅜, Texas Instruments $3 lower at $109, and American Telephone $1¼ off at $43⅞. H. J. Heinz lost $1 to $43¼ despite improved quarterly earnings.

Curtiss-Wright dropped $1¼ to $14¼ after announcing an offer to purchase 2.4m. shares or 20 per cent. of Airco Incorporated at $18 per share. Airco's stock rose $1⅞ to $14⅛.

Rapid-American, another firm spot, gained $2¼ to $14 after saying that it would purchase up to 2m. of its Common shares at $15 each in a tender offer to expire on January 4.

Prices declined in moderate trading on the American Stock Exchange. The Amex index fell 1.83 to 91.29, while declines led advances, 753 to 150. Turnover was 3.09m. shares against 2.62m. on Friday.

OTHER MARKETS

Canada lower

Stock markets closed sharply lower in active trading. Toronto Industrials fell 6.59 to 204.77, Western Oils were down 8.26 at 259.61, Base Metals lost 3.49 at 90.30; but Golds rose 0.40 to 339.71 against the trend. Volume was 3.24m.

Major changes included Comineo down $2⅜ to $31⅛, Moore Corporation down $2½ to $48⅞, Placer Development down $1⅜ to $20⅞ and Pan Ocean Oil down $1¼ to $15½.

In Montreal all sectors closed lower in moderate trading. The Index dropped 6.70 to 231.69.

PARIS. Lower — The market moved lower on a broad front in active trading, with sentiment depressed by the energy situation and the widespread strikes sceduled in France for Thursday.

Notable losses included CFP, Aquitaine, Gobain-Mousson, Carrefour, Alsthom, Bull, Michelin, Poclain, Olida and Casino. Lesieur moved higher against the trend, while Shell Francaise, Creusot and Grands Travaux de Marseille provided resistant spots.

Losses dominated the Foreign sector, with international Oils among the most affected. Canadians and Copper shares were hesitant.

BRUSSELS. Lower — The market moved generally lower in fairly active trading, with coal mines alone resisting the trend. Banks were mixed and other sectors eased. Zaire stocks were lower in reaction to nationalisation moves.

Golds eased as did U.S., German, French and Dutch issues. British stocks firmed slightly. All three Petrofinas were lower.

AMSTERDAM. Easier—The market continued its sharp decline led by Unilever, Royal Dutch and Akzo in Dutch Internationals.

In local issues, Van Ommeren, Heineken, Algemene Bank, OCE, KMF, Giessen, Bergoss, Slavenbug and Elsevier were all sharply lower. State loans were lower where changed.

FRANKFURT. Firmer — The market was firmer although no specific new factors were cited. The trend was supported by an underlying optimism on the prospects for peace settlement in the Middle East and an improved oil supply situation.

Leading Chemicals, Electricals and Motors closed generally up to around DM2.20 firmer, while BMW gained DM6 to DM182. However, Banks eased up to DM3.

On the bond market, Mark Foreign Loans were predominantly higher. Mixed Public Issues posted gains of up to DM0.30 and losses of up to DM0.40.

MILAN. Lower—The market closed lower over a wide front on steady selling and buying reserve connected with the energy crisis.

In Industrials, Italsider was an isolated firm spot, but all other major issues fell. La Centrale and Bastogi eased in Financials, as did Generale Immobiliare in Properties, Rinascente in Stores, Mediobanca in Banks and Assicurazioni Generali in Insurances.

Bonds also tended lower in fairly quiet trading.

ZURICH. Mixed—The market showed little reaction to the vote to prolong Government measures against inflation, with investor interest very limited.

In an otherwise slightly firmer banking sector, Bankgesellschaft lost some ground. Swissair issues were steady, while small losses predominated in Financials and Insurances firmed in light volume. Among Chemicals CIBA-Geigy Bearer and Registered eased after a steady opening. Foods rose led by Nestle Bearer, while tobacco issue Rinsoz held firm. In Stores, Jelmoli, Grand Passage and Globus Bearer rose. Metals and Engineerings were little changed. State Bonds were slightly irregular.

OSLO—Banks, Industrials and Shipping were barely steady while Insurances ruled quiet.

VIENNA—Generally steady.

COPENHAGEN — Generally higher in moderate dealings.

TOKYO—The market rose for the fifth straight session with the average recovering the 4,500 mark, although the advance began to level off towards the close.

Oil refineries gained ground on expectations that "oil dollars" held by Arab States might be invested in Japanese stocks, particularly oil refineries. However, some bankers expressed scepticism concerning this possibility.

Shipping lines were easier on fears that their business might be seriously affected by the oil shortage. Mitsui-Osk lost Y4 to Y136, Kawasaki Steamship Y12 to Y251, and Japan Lines Y9 to Y361.

Papers and Printings gained ground on reports of higher paper prices with Oji Paper gaining Y20 to Y413, Jujo Paper Y12 to Y247, Kyodo Printing Y34 to Y200 and Dai Nippon Printing Y14 to Y284.

Some Blue Chips, which had led the uptrend last week, eased on profit-taking. Sony lost Y50 to Y3,700, Pioneer Y10 to Y870, Matsushita Y4 to Y470 and Toyota Motor Y10 to Y475.

HONG KONG. Easier.—Prices continued to retreat. The downtrend occurred chiefly in the morning, the list fluctuating narrowly thereafter.

SYDNEY—Share prices continued their downward spiral after Friday's brief rally. But trading activity throughout was only moderate and most falls were small.

BHP lost 16 cents of Friday's gains, EZ Industries fell 3 cents at $A3.45, while CSR lost 2 cents at $A3.98. Comalco was steady at $A2.10.

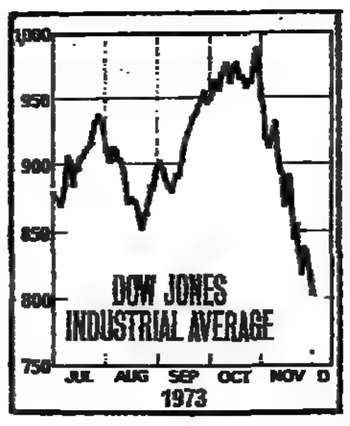
On the Mining boards Mount Isa Mines declined to $A2.05.

On the Industrial boards, National Bank fell 5 cents at $A3.05 but Commercial Banking Company of Sydney (CBC) gained 5 cents at $A2.45. The Bank of New South Wales declined 10 cents at $A7.30 but the Commercial Bank og Australia (CBA) was steady at $A3.05.

MELBOURNE — Industrial and Mining shares drifted downwards in quiet trading. BHP dropped 16 cents to $A7.22 and CSR [illegible] through the four-dollar ma[illegible] close at $A3.95.

JOHANNESBURG—Gold [illegible] were generally below the hi[illegible] levels following the lower b[illegible] fixing. On balance, trading fairly inactive, with interest [illegible] London mixed, but with a [illegible] bias.

In the medium- and [illegible] priced issues losses were [illegible] region of five cents, while hi[illegible] priced shares lost up to 25 [illegible] Platinums eased in line [illegible] golds. De Beers fell 5 cen[illegible] R460, and in Coppers [illegible] (ex-div) traded at R520 [illegible] Manganese shares were st[illegible] Financials and Industrials mixed.



Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport ‡	Indus *	Util. ⊕	Trading volume† 000's
Dec. 3	73.13	172.12	806.52	86.40	17,900
Nov. 30	73.20	176.18	822.25	87.93	15,380
29	72.97	176.38	825.11	88.38	18,870
28	72.96	172.96	859.78	89.12	19,900
27	72.98	168.91	817.73	89.28	19,650
26	73.04	169.72	834.95	89.63	19,830
23	72.90	172.90	854.00	91.13	11,470
21	72.95	171.19	854.98	90.81	[illegible]
20	72.96	167.60	844.90	90.01	23,980
19	72.90	171.50	862.66	91.65	16,700
16	72.80	175.68	891.33	93.27	22,610
15	72.87	174.25	874.65	92.89	24,630
14	72.88	174.95	859.88	92.44	22,710
13	73.18	179.09	891.05	93.91	20,310
12	73.03	181.57	897.65	94.64	19,250
9	73.08	186.39	908.41	96.11	17,330
1973 High	76.34 (12/1)	228.10 (3/1)	1051.70 (11/1)	120.72 (2/1)	—
Low	71.33 (15/2)	151.97 (22/8)	806.52 (5/12)	86.40 (5/12)	—

* All-time high 1051.70 (11/1/73).
‡ All-time high 279.88 (7/2/69).
⊕ All-time high 163.32 (20/4/65).
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Dec. 3	Nov 26	Dec. 4 1972
4.28	4.09	3.16

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1973 High, Low	Mon.	Fri.	Thurs.	Wed.	Tues.
[illegible] 50.08 (11/1) (3/12)	50.08	51.18	51.99	52.05	51.92

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,842	210	1,385	247

	Mon.	Fri.	Thurs.	Wed.	Tues.
New Highs	4	5	15	8	5
Lows	508	266	179	257	451

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1973 High Low	Mon.	Fri.	Thurs.	Wed.	Tues.
105.82 92.70 (12/10) (27/11)	91.29	95.12	94.22	94.23	92.70
Volume (000's)	3,100	2,617	3,008	3,310	3,480

STANDARD AND POORS U.S. STOCK INDICES

	*Ind. Ord.	†Composite
Dec. 3	107.47	95.53
Nov. 30	107.67	95.96
29	109.29	97.31
28	109.72	97.63
27	107.40	95.70
26	108.43	96.38
23	111.69	99.44
1973 High	134.03 (5/1)	120.17 (5/1)
1973 Low	107.40 (27/11)	95.70 (27/11)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Nov. 29 1973	Nov. 23 1973	Nov. 30 1972
Ind. Ord. yield pc	3.26	3.12	2.49
Ind. Ord. p/e ratio	13.24	13.33	20.50
Long-term Govt. Bds. pc	5.91	5.91	5.36

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Marcor	190,600	20⅜	−1
Bausch and Lomb	184,700	39½	−3½
Evans Products	190,580	11⅞	−3
Amer. Tel. & Tel.	175,200	46⅞	−⅝
General Motors	167,900	48⅜	−2
Polaroid	153,100	72⅜	−6½
Chrysler	125,000	18½	−1⅞
MGIC Investment	115,100	29⅞	−3⅞
Southn. Cal. Ed.	106,300	18⅞	—
Coastal States Gas	100,700	10⅜	−⅜

TORONTO

INDUSTRIAL INDEX

Dec. 3	Nov. 30	1973 High	1973 Low
204.77	211.36	237.93 (30/10)	202.43 (22/3)

MONTREAL

INDUSTRIAL INDEX

Dec. 3	Nov. 30	1973 High	1973 Low
231.69	238.39	271.32 (1/11)	208.83 (22/3)

COMBINED INDEX

Dec. 3	Nov. 30	1973 High	1973 Low
213.49	220.02	249.10 (1/11)	206.33 (29/3)

JOHANNESBURG

	Dec. 3	Nov. 30	High	Low
Industrials	220.6	223.0	292.1 (10/7)	220.6 (3/12)
Gold	200.0	205.1	237.7 (8/1)	170.4 (26/11)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Dec. 3	Nov. 29	Nov. 22
On Dividends	5.78	5.78	5.57
On Earnings	9.50	9.50	9.12

SYDNEY ALL ORD. INDEX

Dec. 3	Nov. 30	High 1973	Low 1973
449.35	452.62	607.76 (14/1)	445.84 (27/11)

HONG KONG INDEX⊕

Dec. 3	Nov. 30	High 1973	Low 1973
503.61	514.71	1,774.96 (9/3)	491.77 (12/1)

SINGAPORE INDEX§

Dec. 3	Nov. 30	High 1973	Low 1973
295.35	302.34	611.86 (1/2)	289.71 (4/9)

TOKYO NEW SE INDEX‡

Base=100 January 4, 1968.

Dec. 3	Nov. 30	Div. %	Yield %
326.14	324.06	11.90	2.28

	High	Low
1973	422.43 (24/1)	318.94 (27/11)

EUROPE

	Dec. 3	Previous	1973 High	1973 Low
Belg'm(o)	122.43	124.04	142.23 (22/6)	120.29 (27/11)
Denm'k(o)	102.73	103.22	128.95 (10/8)	99.10 (27/11)
France (bb)	76.2	78.1	98.9 (4/5)	76.2 (5/12)
Germany*	86.65	86.14	126.71 (23/3)	85.18 (27/11)
Holland(d)	120.0	126.0	171.9 (12/4)	119.5 (27/11)
Italy†	113.27	115.38	147.28 (19/6)	98.25 (16/2)
Sweden(b)	334.05	327.77	389.24 (10/7)	327.77 (30/11)
Switzer'l'd	436.0	336.9	460.1 (27.1)	428.7 (27/11)

* Herstatt Index Base Dec. 31, 1959. ‡ Base 100 Jan. 2, 1973. — Swiss Bank Corporation Index base 100 Dec., 1962. (c) Closed. (m) Base 1962. (o) Base 100 1963. (p) Base Dec. 29, 1966. (bb) Paris Bourse Committee, base 100 1961. (d) Base 100 January 1, 1973. † Base 100 Jan. 2, 1973. ⊕ Hang Seng Bank, base 100 July 31, 1964. § Straits Times Industrial, base 100 1966.

Slight gain in pound

Sterling made a further slight improvement against major currencies in general yesterday, but improved less sharply than the dollar, in terms of which it ended at $2.3400-2.3410, compared with $2.3425-2.3435 on Friday. The pound's trade-weighted average depreciation since the Washington Currency Agreement of December, 1971, against ten major currencies (including the dollar) narrowed to 18.1 per cent., from Friday's 18.2 per cent., Thursday 18.3 per cent. and Wednesday's 18.37 per cent. Conditions were relatively quiet, but the pound again moved in a fair range, of $2.3335 to $2.3425. The joint float of certain EEC and associated countries again suffered some strain, with the Dutch authorities estimated in some reports to have sold French Frs.3.75m., Belgian Frs.191.5m., and Swedish Kr.55.3m. From Tokyo, the day's turnover in that centre for overnight delivery was reported to be $74m, with the Bank of Japan supplying the bulk of the dollars.

Demand for short-term German mark deposits remained at a good level, although short-call Euromarks, at about 14-17 per cent., were appreciably below the highest levels reached lately (of 30 per cent. to 35 per cent. or so). The dollar improved 27½ points in terms of the German mark, to DM2.6250, but made stronger gains against certain other units, including the Dutch guilder, which fell 230 points to Fls.2.7785.

Gold fell slightly on balance in London, to end at $99½-101 an ounce, against $100½-102½ on Friday. Business was moderate. The opening quotation was $99½-£101¼, but the morning fixing was at $100.00 (£42.739), and the afternoon at $101.25 (£42.825). New sovereigns ended at $30-31, and old at $35¼-36¼, while double Eagles were at $163-167, single at $75-78, and half at $45-48, with 20-mark pieces at $40-42.

EXCHANGE CROSS-RATES

Dec. 3	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.656 968	64.20-80	8.685 600	6.15-16	4 70-80	81.90 82.05
N. York	38.07-10	—	22.23-35	2.5155-520	2.3398-3408	35.98-36.02	31.22-28
Paris (c)	171 45-70	4.504 510	—	11.553-400	10.535-545	162 00 25	140.45 70
Brussels	15.08-1075	39.65-70	8.8125 85	—	92.88 95	14.23½-975	12.580-40½
London	6.13½ 14½	2.34 341	10.525 535	92.81-93.0	—	6.49½-50½	7.49-505
Amst'dm	105 67 72	2.7770-7805	61.725 775	6.996 7.001	3.4975-5025	—	86.675-22
Zurich	121.80-122.0	3.202 304	71.04-08	8.052-078	7.4895-975	114.89-115.31	—

U.S. $ in Montreal 1.0006-08. Canadian $ in New York 0.9985-95. U.S. $ in Milan 607.00. Sterling in Milan 1420.50 (c) Commercial

EURO-CURRENCY INTEREST RATES*

Dec. 3 1973	Sterling	U.S. Dollar	Canadian dollar	Dutch guilders	W. German mark	Swiss franc
†Short-term	—	9⅝-9⅞	8¼-8⅝	—	14-17	9⅛-8⅛
7 days' notice	—	9⅞-10⅛	8½-8¾	—	14 17	8½-9
Month	16⅜-15⅞	10⅛-10⅜	9⅛-9⅝	11-11½	14-14½	10⅛-10⅝
Three months	14⅞-15⅜	10⅛-10½	9⅞-10⅛	10⅝-10⅞	11⅜-11⅞	9¾-10
Six months	15⅛-15⅞	9¾-10¼	9⅛-9⅝	10-10¼	10⅛-10⅝	9⅝-8⅞
One year	14½-15	9⅛-9⅜	9-9¼	8⅛-8⅝	9⅛-9⅝	7¾-8

Longer-term Eurodollar rates were as follows: two years 9⅛-9⅜ per cent.; three years 9-9½ per cent.; four years 9 1/16-9 5/16 per cent.; and five years 9⅛-9⅜ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 10⅛-10⅜ per cent.; three months 10 9/16-10 7/16 per cent.; six months 10 1/16-9 15/16 per cent.; one year 9⅞-9⅜ per cent.

* Rates are nominal closing rates.
† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two days' notice for guilders, marks and Swiss francs.

FORWARD RATES

	One month	Three months
New York	0.97-0.87 c. pm	3.22-3.1[illegible]
Montreal	1.15-0.95 c. pm	3.55-3.3[illegible]
Amst'dam	2¼-1¼ c. pm	8-7 c. pm
Brussels	65-40 c. pm	170-145
Copenh'n	7.5 ore pm	13-9 ore
Frankfurt	1 pf pm-par	6¾-5¾
Lisbon	70 c. pm-par	180-10
Milan	7½-3½ lire pm	17-12 lire
Oslo	5-2 ore pm	17-14 ore
Paris	4¼-3¼ c. pm	12-11 c.
Stockholm	8-5 ore	23½-20½
Vienna	60-10 gro. pm	120-60 gro.
Zurich	3¼-2¼ c. pm	12-11 c.

Six-month forward dollar 6.62-6.52 and 12-month 12.75-12.65 c. pm.

FOREIGN EXCHANGES

OTHER MARKET RATES

OVERSEAS SHARE INFORMATION

Investment $ premium based on $2.60 per £1—38⅜% (38⅞%). Conversion factor 0.6005 (0.6008).

NEW YORK

CANADA

GERMANY ♦

Dec. 3	Price Dm	+ or −	Div. %	Yld. %
A.E.G.	104.5	+0.8	10	4.8
Allianz Versich.	460	−4	16	1.7
B.M.W.	183	−6	16	4.1
B.A.S.F.A.G.	118	+1	15	6.4
Bayer	116	+1.2	14	6.7
Bayer Hypo	226	−3	20	4.5
Bayer Vereinsbk	296	−2	20	3.4

AMSTERDAM

Dec. 3	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl.20)	88	−3.2	22	5.0
Akzo (Fl.20)	49.7	−2	18	6.9
Alg Bk Ned Fl.100	278	−11	18	6.5
AMAS (Fl.10)	46.5		—	—
Amro Bank (Fl.20)	63	−3.3	18	6.7
VanBerkel'Fl.50	156	−4	15	4.7
Bijenkorf (Fl.20)	93	+2	21	4.6

AUSTRALIA

Dec. 3	Aus $	
Acrow Australia	0.92	
Adelaide Brighton Cem't 50c	1.37	+0.7
Allied Mnfg. Trdg. Indus $1	4.67	+1.7
Ampol Exploration	†3.64	+0.02
Ampol Petroleum	1.41	
Assoc. Minerals	†3.00	+0.05
Assoc. Portland Cement	0.85	−0.01

VIENNA

Dec. 3	Price %	+ or −	Div. %
Creditanstalt	390		1[illegible]
Perlmooser	414		1[illegible]
Selecta	760m		[illegible]
Semperit	305	+5	[illegible]
Steyr Daimler	179	+6	1[illegible]
Veit Magnesit	334	−1	[illegible]

JOHANNESBURG

BRUSSELS

PARIS

MILAN

STOCKHOLM

SWITZERLAND ♦

TOKYO ¶

OSLO

COPENHAGEN

SPAIN ♥

STOCK EXCHANGE REPORT

Equities appear steadier but undertone still nervous

Index 0.4 off at 363.8—Monday markings at eleven-week low

ACCOUNT DEALING DATES

First Dealings	Option Declarations	Last Dealings	Account Day
Oct. 29	Nov. 8	Nov. 9	Nov. 20
Nov. 12	Nov. 22	Nov. 23	Dec. 4
Nov. 26	Dec. 6	Dec. 7	Dec. 18

* "New time" dealings may take place from 9.30 a.m. three business days earlier.

Equities made a much steadier showing yesterday, the start of the first full week of the Account. There was, however, a deal of apprehension in front of to-day's Settlement Day. Fears of liquidity problems arising from the sharp fall in equities over the previous Account was an inhibiting factor and resulted in a marked contraction of business; yesterday's official markings of 6,116, were the lowest for a Monday since September 24.

The FT 30-share index was at the day's best at noon with a rise of 2.3; this early improvement was gradually whittled away against a background of adverse publicity about the energy situation, labour unrest and a less confident forecast by industry in the latest FT Monthly Survey of Business Opinion. An early reaction on Wall Street also served to unsettle sentiment in the late dealings and the index closed a net 0.4 down at a new "low" for the year of 363.8.

Gilts shade harder

Apart from a few minor movements on favourable Press mention, second-line equities continued on a downward path and falls were again in the majority of rises in FT-quoted Industrials by about 4-1. Motors and Distributors were particularly dull; the Actuaries share index for the sector recorded a loss of 3.5 per cent. at 72.32, this makes a fall of 23 per cent. since the Government's proclamation of a State of Emergency on November 12. The Actuaries three main share indices showed losses extending to 0.8 per cent. with the All-Share down that amount at 161.23.

A little cautious in the early trade British Funds gradually improved on small demand which found sellers reserved. At the short end of the market the gains, mainly to ⅛, were held although late news of a fresh increase in U.S. prime rates did tend to dampen sentiment. This was particularly noticeable at the medium and longer end where quotations relinquished ¼ improvements to close unchanged on the day. Undated stocks were also unaltered.

A day of routine trading in investment currency saw the premium rise initially to 38¾ per cent. and then ease in line with the fresh early weakness on Wall Street to close at 38½ per cent., a net fractional improvement. Yesterday's USE conversion factor was 0.8005 (0.8008).

Official London dealings commenced yesterday in Browning-Ferris Industries 16 2/3c Common shares, which opened and closed at 690p.

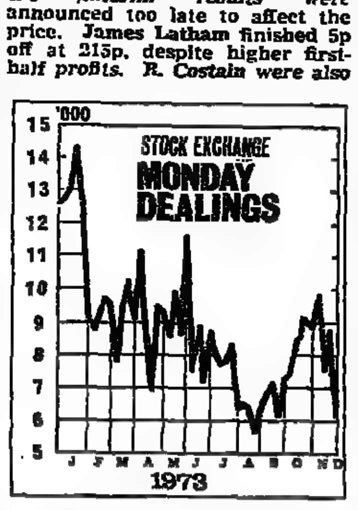
Banks drift down

After a firm start, Home Banks drifted lower on lack of follow-through support to close with 5p falls. Lloyds ended that much off at 262p, after 270p, while National Westminster were also 5p cheaper at 322p, after 330p. In dull Discounts, Cater Ryder lost 10p to 230p, Smith St. Aubyn gave up 7p to 88p, and, in a thin market, Allen Harvey and Ross declined 15p to 325p.

A firm market last week following the encouraging interim results, C. E. Heath fell back yesterday as profit-taking left the shares 12½p lower at 252½p. Elsewhere in Insurances, Guardian Royal Exchange gave up 6p to 170p and favourable Press comment failed to stimulate Commercial Union which shaded 5p to 153p.

Interest in Breweries centred chiefly on Scottish and Newcastle which, following renewed speculative demand, closed 1½p better at 76½p, after 78p. Allied, however, were hardly tested, ending unaltered at 75p, while J. W. Cameron shaded 2p to 108p in front of to-day's results.

Buildings made a dull showing following the warning from the House-Builders' Federation of the possibility of a severe recession within the industry. Rugby Portland Cement shed 4p to 65p; the interim results were announced too late to affect the price. James Latham finished 5p off at 215p, despite higher first-half profits. R. Costain were also 5p easier at 125p, while falls of around 10p were sustained by William Whittingham, 108p, and Tarmac, 156p. London Brick weakened 1½p to 48½p. Against the trend, M. P. Harris moved up 3p to 105p, on speculative demand.



ICI closed 2p harder at 218p, after 221p. Elsewhere, Chemicals had an easier tendency.

Among dull Television issues, ATV "A" eased 2p to a 1973 "low" of 81p; the interim figures are due December 13.

Leading Stores made a steadier showing. Marks and Spencer were 2p better at 231p, after 232p, while Gussies "A," after last Friday's 11p fall on the half-time statement, rallied 2p to 208p. House of Fraser were quiet and 1p easier at 111p, but the associated Suits picked up 3p to 148p. Boots lost 2p more to 219p. Elsewhere, *Weston Pharmaceuticals followed* last Friday's 6p rise with a further gain of 3p at 74p, after 78p, still reflecting the possibility of a bid *arising should London and County* Securities sell its substantial stake. Knott Mill, on the other hand, were a late weak spot at 41p, down 6p, on the disappointing interim statement. Down 48p last Friday on the lower profits warning, Lee Cooper shed 3p more to 174p.

Leading Electricals regained some ground in quiet trading. GEC ended only 1½p better at 133p, after 134p, while EMI closed 2p up at 144p. Philips' Lamp, following the fresh weakness on Wall Street, ended 22p lower at 638p. Elsewhere, George Sturla attracted a few small buyers and improved 4p to 82p, while Muirhead put on 3p to 70p.

Minor recoveries in the Engineering leaders left GKN 2p harder at 230p, after 233p, and Tube Investments 4p higher at 324p, after 328p. Hawker Siddeley were quiet but edged forward 3p to 321p helped by news of the further Chinese contract for Trident airliners. Among smaller-priced issues, George Whitehouse were popular at 30p, up 3p, and Associated Tooling rose 2½p late to 35½p on the interim results. *London and Midland Industrials* rallied after opening lower at 17½p, a further reflection of the first-half loss, to close 3½p higher on balance at 26p. Elsewhere, Anglo-Swiss dipped 19p to 49p in reply to the abortive bid approaches. In Shipbuildings, Swan Hunter picked up 5p to 120p, after 122p, but Hawthorn Leslie gave up 3p more to 82p.

Awaiting to-day's preliminary figures, RHM eased ½p to a 1973 "low" of 42½p. Higher interim figures did little for Alpine Soft Drinks, which ended 4p off at 115p, while Amos Hinton closed 3p cheaper at a 1973 "low" of 58p on the first-half profits setback. Geo. Bassett shed 3p to 92p and Cullens Stores "A" 6p to 108p. Louis C. Edwards, however, hardened 2p to 21p in response *to the profits forecast contained* in the interim statement and Press comment helped. A. J. Mills to gain a similar amount at 74p.

Hotels made an uninspired showing with sentiment affected by the difficulties at Piccadilly Estates. *After recent weakness on* the interim results, J. Lyons "A" reacted afresh to close 8p easier at 1973 "low" of 250p. Falls of 5p were sustained by Trust Houses Forte, 150p, and Kursaal, 105p.

Brit. & Can. Invs. up

Leading miscellaneous Industrials ended a shade below the best in quiet trading. Glaxo finished 4p better at 394p, after 396p, and Beecham 3p up at 276p, but Turner and Newall, in front of *Thursday's interim results*, closed 3p easier at 150p. Elsewhere, British and Canadian Investments rose to 78p on the bid from Dutton-Forshaw before a close of 73p for a net gain of 6p; Dutton-Forshaw closed 3p down at 49p, after 44p. Shipping Industrial improved 5p to 530p on small buying despite the unlikelihood of the Vlasov/Capitalfin Group raising its 525p cash bid. Fothergill and Harvey, however, closed 4p down at 75p on the lapsing of the offer from Jones Stroud, 2p easier at 90p. Venesta declined 4p to 36p despite the first-half profits advance. Powell Duffryn dipped 11p to 138p and Reckitt and Colman 8p to 273p.

Motors and Distributors, still reflecting the fuel situation, closed *on a dull note*. British Leyland finished ½p cheaper at a 1973 "low" of 18½p, following a reasonable turnover, and Rolls-Royce slipped 2p more to 52p. Dunlop, however, resisted the general trend, closing 1p firmer at 63p, after 65p. Joseph Lucas remained on offer and lost 5p more at 118p, while notable casualties in Garages included Lex Service, 3p easier at 55p, and British Car Auction, 8p lower at a 1973 "low" of 72p.

Interest in Newspapers remained at a low ebb and prices *drifted downwards*. Pearson Longman closing 3p cheaper at a fresh "low" for the year of 147p. Among Paper/Printings, J. and J. Makin moved up 4p to 92p following Press mention, while Inveresk recovered 2½p to 49p. Advertising Agencies stayed dull with Collett Dickenson 4p off at 68p.

AIP actively lower

Recent selling of leading Properties subsided and prices closed on an irregular note. Recent take-over favourite, Amalgamated Investment, however, declined 8p to 127p in active trading. MEPC recouped 2½p at 183½p, while British Land, 151½p, and Land Securities, 223½p, both hardened 1½p. Favourable Press comment helped Barranquilla Investments gain 3 to £41 against the continuing dull trend in second-line issues, where Hammerson A dipped 25p to 570p and Haslemere, on the lower interim profits, lost 10p to 308p. Churchbury, 250p, were also 10p down. Marler Estates ended 3p off at 34p after the interim report.

Oils were firm in the early trade but eased back later to close with minor losses. Shell, for instance, closed 3p easier at 215p, after 219p while British Petroleum, 552p, and Burmah, 392p, both cheapened 2p; news of the possible U.S. acquisition failed to help the last-named. Likewise the statement relating to the largest ever sale of liquefied gas did little for Ultramar, which softened 2p to 206p. Dealings in Tricentrol new shares, issued in connection with the recent Dutch acquisition, were moderate and the price closed at 166p; the old lost 6p to 167p. Overseas stocks were reactionary, Geoquest losing 10p to 60p and Sunningdale 15p to 470p.

Trusts and Financials declined afresh. Abercom Investments lost 14p more to 260p, while J. H. Vavasseur fell 15p to a 1973 "low" of 110p. Adverse week-end Press comment depressed Williams Hudson which shed 8½p more to 91½p. Pentland Investment hardened 1p to 80p; it was incorrectly stated in last Saturday's report that London and County Securities held a stake in the company. In fact, L. and C's holding is in Pentland Industries, which encountered further selling and lost 6p more to 14p, after 12p, making a *two-day fall of 11p*.

Shippings closed quietly mixed. P & O Deferred picked up 3p at 127p.

Courtaulds picked up 1½p at 123½p in quiet Textiles where *unfavourable Press comment* helped Hield Bros, a shade harder at 19½p. Bond Worth, on the other hand, gave up 3p to 53p on further consideration of the results. Highams eased 1p to 40p ahead of to-day's interim figures.

Little of interest took place in Tobaccos which closed with little alteration.

Plantations drifted lower in very quiet trading. Bandanga receded a further 5p to 85p; London and Counties, contrary to our report last Saturday, does not hold any Bandanga shares. Elsewhere, Guthrie shed another 6p to 316p and, *on the bid situation*, Bukit Mertajam were quoted 60p nominal, down 5p.

Dullness in Mines

Despite the continuing boom in prices of base-metals, Mining shares generally tended to sag in idle trading. Waning interest after last week's sharp revival, coupled with a slightly easier bullion price, resulted in scattered losses in Golds. They ranged to 25p in *President Brand* at 990p with falls of 10p being seen in Harmony (360p), East Driefontein (355p) and Kloof (680p).

Financials were generally dull with sentiment being further unsettled by *adverse influences* from the U.K. Industrial market. Anglo-Vaal came back 25p to 950p and Anglo American were 5p off at 295p while the increased interim left "Johnnies" unmoved at £16½. Union Corporation, however, hardened to 234p and Selection Trust were 5p better at 330p.

In Diamonds, De Beers eased 4p to 265p. Platinums lost ground with Cape offerings lowering Potgietersrust 8p to 145p. Transvaal Consolidated Land lost 10p to 480p.

Australians followed the dull trend overnight in markets in Melbourne and Sydney. Broken Hill South fell 5p to 185p, MIM Holdings 4p to 160p and losses of 2p were seen in Bougainville (130p) and A. M. and S. (105p). Exceptionally, the gold-producing Emperor Mines gained 10p more to 190p on buying Down-Under.

Tins and Coppers were virtually neglected and "Zamanglo" fell 5p to 200p. Elsewhere, the renewed strength in the free market price of antimony produced a modest rally in Consolidated Murchison which after falling to a year's low of 320p closed still 10p down on balance at 330p. Canadian offerings were reflected in losses of 10p in Tara (840p) and *Northgate* (220p).

FINANCIAL TIMES STOCK INDICES

—	Dec. 3	Nov. 30	Nov. 29	Nov. 28	Nov. 27	Nov. 26	A Year ago
Government Secs.	60.83	60.84	61.18	61.19	61.43	61.12	71.40
Fixed Interest	61.44	61.49	61.53	61.55	61.44	61.54	73.17
Industrial Ordinary	363.8	364.2	375.3	379.1	376.4	363.9	505.8
Gold Mines	162.8	164.4	166.8	159.6	145.3	145.0	91.3
Ord. Div. Yield %	5.18	5.19	5.04	5.00	5.02	5.19	3.23
Earnings Yld %(full)(a)	11.69	11.70	11.36	11.25	11.32	11.70	†5.18
P.E. Ratio (net) (a) (b)	11.71	11.70	12.05	12.16	12.09	11.69	†19.31
Dealings marked	6,116	6,030	6,751	8,255	8,277	8,797	11,135

*10 a.m. 364.2 11 a.m. 365.5 Noon 366.5 1 p.m. 366.1
2 p.m. 365.6 3 p.m. 365.5
Latest Index 01-246 8026
(a) Based on 50 per cent. corporation tax. (b) 11.56. † On old basis.

HIGHS AND LOWS

—	1973 High	1973 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	72.08 (22/1)	60.83 (3/12)	127.4 (9/1/35)	60.83 (3/12/73)
Fixed Int.	73.85 (23/1)	61.44 (27/11)	150.4 (28/11/47)	61.44 (27/11/73)
Ind. Ord.	509.5 (10/1)	363.8 (3/12)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	203.6 (6/7)	93.6 (19/1)	203.8 (6/7/73)	43.5 (26/10/71)

S.E. ACTIVITY

—	Dec. 3	Nov. 30
Daily—		
Gilt Edged	132.4	115.4
Industrials	200.7	188.0
Speculative	91.7	115.9
Totals	139.2	137.3
5-day Av.—		
Gilt Edged	126.6	129.4
Industrials	234.4	254.8
Speculative	117.5	122.1
Totals	161.3	173.5

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

FT—ACTUARIES INDICES

—	Dec. 3	Nov. 30	Nov. 29	Nov. 28	Nov. 27	Nov. 26	A Year ago
Industrial Group	151.84	152.78	155.11	155.68	152.49	153.44	210.84
500 Shares	160.77	161.79	164.30	164.76	161.52	161.93	219.38
Div. Yield pc	4.76	4.73	4.66	4.64	4.75	4.72	3.33
P/E Ratio (net)	12.75	12.63	15.04	15.12	12.67	12.90	17.66
All Share	161.23	162.52	165.28	165.65	162.30	163.14	221.47
Consols Yield pc	12.28	12.35	12.27	12.26	12.18	12.26	9.72

† On old basis.

AUTHORISED UNIT TRUSTS (p★★★)

[illegible]

[INSURANCE, PROPERTY, BONDS PRICES PAGE 37]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

[illegible]

STOCK EXCHANGE DEALINGS from the Official List for Dec. 3

Monday, December 3	6,116	Thursday, November 29	6,751	Tuesday, November 27	8,277
Friday, November 30	6,030	Wednesday, November 28	8,255	Monday, November 26	8,797

The list below gives the prices at which bargains done yesterday by members of The Stock Exchange were recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ◆ Bargains done previous day. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malaysian; $Mc—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (815)

INTERNATIONAL BANK STOCK

CORPN. & COUNTY—U.K. (60)

PUBLIC BOARDS, ETC.—U.K. (25)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (17)

FOREIGN STKS., BDS., ETC. (2)

U.K. AND COMMONWEALTH RAILWAYS (9)

FOREIGN RAILWAYS (1)

BANKS & DISCOUNT COS. (325)

BREWERIES & DISTILLS. (171)

COMMERCIAL, INDUSTRIAL (3,290)

A—B

C—D

E—F

G—H

I—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

ELEC. LIGHTING & POWER (7)

GAS (9)

INSURANCE (141)

INVESTMENT TRUSTS (265)

FINANCIAL TRUSTS, ETC. (188)

UNIT TRUSTS (6)

IRON, COAL & STEEL (45)

MINES

Australian (16)

Miscellaneous (61)

Rhod. & E. African (20)

South African (211)

West African (2)

Diamond (18)

OIL (216)

PROPERTY (375)

RUBBER (22)

SHIPPING (69)

TEA & COFFEE

TRAMWAYS & OMNIBUS

WATERWORKS (3)

SPECIAL LIST

RULE 163 (1) (e)

CORAL INDEX

RISES AND FALLS YESTERDAY

ACTIVE STOCKS

YESTERDAY—

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1973 high
Amal. Inv. & Prp.	25p	13	127	− 8	158
ICI	£1	12	218	+ 2	204
Burmah Oil	£1	9	392	− 2	506
BP	£1	8	532	− 2	600
Distillers	50p	8	140½	− 1	173
Eng. China Clays	25p	8	100	− 7	150
Grd. Met. 10% Ln.	£100	8	£117	− 1½	£241½
Triumph Inv.	25p	8	36	—	124
Brit. Leyland	25p	7	18½	− ½	37½
Commel. Union	25p	7	133	− 3	230
Marks & Spencer	25p	7	231	+ 2	280
Shell Transport	25p	7	215	− 3	383
Swan Hunter	£1	7	120	+ 5	188
Thorn Elect. 'A'	25p	7	388	+ 3	512
Weston Pharm.	10p	7	74	+ 3	124

The above list of active stocks is based on the number of ba[rgains] recorded yesterday in the Official list and under Rule 163(1) (e) reproduced to-day in Stock Exchange dealings.

Option Report—3-month Call ra[tes]

OPTION DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Dec. 4	Dec. 17	Mar. 7	Mar. 19
Dec. 18	Jan. 7	Mar. 21	Apr. 2
Jan. 8	Jan. 21	Apr. 9	Apr. 23

The Option market made a quiet start to the week yesterday with calls dealt in Cadbury Schweppes, Williams Hudson, "Lofs," London City Westcliff. Cavenham, RHM, British land, Grimshawe, Brown and Albany, National Ca[...]ing, Lex Service, M[...] Whites, Bowater, Geo. [...] Airfix warrants, ICI, Wool[...] English China Clays, J. [...] and Woodside-Burmah. [...] was taken out in Bowater. [...] a "double" was arrang[ed] Cavenham warrants.

Industrials		Glaxo	34	Slater Walker	12	Mines
		Grand Met.	8	Spillers	5	Anglo Amer.
A.P.Cement	16	G.U.S."A"	12	Tesco	6	BrokenHillPty
Assoc. Leisure	4	Guardian	25	Thorn "A"	24	Cent.
Barclays Bank	24	G.K.N.	19	Tube Invest.	25	Charter Cons.
Beecham	30	Hawker Sidd.	30	Unilever	23	Charterhall Fi.
Boots Drug	17	I.C.I.	13	Utd Drapery	10	Cons. Gold
Bowaters	12	"Imps"	5½	Vickers	9	De Beers Def.
B.A.T	16	I.C.L.	10	Woolworths	6	F. S. Geduld
BritishLeyland	2½	Invercsk	6			Great Boulder
BritishOxygen	6	Jessel Sec.	9	Property		Hampton Area
Burton "A"	15	Legal & General	20	Cap Counties	15	Hampton Prop.
Cadbury's	6	Lloyds Bank	22	Land Securities	18	Kloof
Cannon St.	7	"Lofs"	9	Peachey	15	Lonrho
Courtaulds	8	"Mans"	15	Star(Gt.Britain)	15	Loraine
Debenhams	9	Marks&Spencer	12	Town & City	13	Metals Explor.
Distillers	10	March (L.)	11	Town & Comm.	15	Poseidon
Dunlop	7	Midland Bank	24			Pres. Steyn

REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated.

BELFAST

IRISH EXCHANGE

NORTHERN EXCHANGE

MIDLANDS & WESTERN

SCOTTISH EXCHANGE

MONEY MARKET

Higher interest rates

Bank of England Minimum Lending Rate 13%
(since November 13, 1973)

Short-term interest rates in the London money market yesterday continued their trend to record levels, with the three-month sterling certificate yield ending at 15¾-15⅝ per cent., and against 15¾-15⅝ per cent. previously, and the six-month at 16-15¾ per cent., against 15¹³⁄₁₆-15⅞ per cent. Concern over the energy situation in general, and over the U.K. labour aspect of the situation in particular, appeared to help rates upwards, while the problems encountered by London and County Securities were an unsettling background factor.

Discount houses met with more difficult conditions than at first anticipated yesterday, and the authorities were called upon to give moderate assistance by buying Treasury bills, bank bills and commercial bills from the houses. There were some fairly large Government disbursements, but these were exceeded by revenue transfers to the Exchequer. Maturities of commercial and local authority bills in official hands were also against the market's favour. The net effect of the above factors was to outweigh the slightly over target bank balances carried forward over the week-end.

Rates bid by Discount houses for secured day-to-day loans began at around 11-11½ per cent., although some funds may eventually have been available at 9½ per cent.

The highest rate quoted during the day was 12 per cent., but by the close balances were available at 10½-11½ per cent.

In the inter-bank market overnight loans began at 12½ per cent. and remained at around 13 per cent. for most of the day, before closing at 11½ per cent.

Dec. 3 1973	Sterling Certificate of deposits	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposits	Company deposits	Discount market deposits	Treasury bills	Bank bills ⊕	Fine trade bills ⊕
Overnight	—	11½-13	12-13	—	—	12-13¾	9½-12	—	—	—
2 days notice	—	—	13¾-14	—	—	—	—	—	—	—
7 days or 7 days notice	—	13¼-13½	13⅞-14¼	—	14	—	11½-11¾	—	—	—
One month	14½-14¼	14⅝-14⅞	14¼	14¾-13¾	14¾-14⅞	—	12⅛-12⅜	12⅛-12½	13⅝-13¾	14-15½
Two months	15⅝-15⅜	15⅝-15½	—	15¾-14¾	15⅝-15¾	—	12¼-12¾	12¼-12½	13⅝-13¾	14½-15½
Three months	15⅞-15⅝	15⅞-15⅞	15-15½	15¾-14¾	15¾-15⅞	—	12⅜-13	12½-12⅞	13⅞-13⅝	15-15¾
Six months	16-15¾	15⅞-16	15¼-15¾	15⅞-14⅞	15	—	—	—	14½-15	16-16¾
Nine months	15⅝-15⅞	15½-15¾	—	15½-14½	15½	—	—	—	—	—
One year	15⅞-15⅞	15-15¼	12½-15⅞	15¼-14¾	15½-15½	—	—	—	—	—
Two years	14½-14½	14½-14½	14½-15	—	—	—	—	—	—	—

Local authorities and finance houses seven days notice, others seven days fixed. * Long-term local authorities mortgage rates nominally 14¼-14½ per cent. for three years; 14-14½ per cent. for four years; and 13¾-14 per cent. for five years. ⊕ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills about 13½-14 per cent.; and for four-month trade bills 15-15½ per cent. Approximate selling rate for one-month Treasury bills 12⅛-12¼ per cent.; and two-month 12⅛-12⅜ per cent.; and three-month 12⅜-12½ per cent. Approximate selling rate for one-month bank bills 13¼-13⅜ per cent.; two-month 13⅜-13½ per cent.; and three-month 13¼-13½ per cent.; for one-month trade bills 14½-14¾ per cent.; two-month 14½-14¾ per cent.; and three-month 15¼-15½ per cent.

Finance House Base Rate (published by the Finance Houses Association): 14 per cent. from December 1. Clearing Bank Deposit Rates: For small sums at seven days' notice 9½ per cent., and Base Rates for lending 13 per cent.

Treasury Bills: Average tender rate of discount 12.4022 per cent.

Tax Deposit Account: Deposit earned a basic 8.12 per cent. in the April-June quarter if withdrawn within that quarter, or 7.25 per cent. if not; in the July-Sept. quarter interest accrued at a rate of 7.25 per cent. for deposits withdrawn within the quarter, and if not so withdrawn, at 10.11 per cent.; in the Oct.-Dec. quarter interest accrues at 10.11 per cent. on deposits withdrawn within that quarter, and if not so withdrawn, at the average Treasury bill rate for the period.

TENNIS

Eight players in search of a title

BY JOHN BARRETT

THIS AFTERNOON in Boston begins the last great showpiece of the year. At the John B. Hynes Auditorium, a 3,800-seat arena in the heart of the city, the top eight points winners in the season-long Commercial Union Grand Prix competition will contest the $50,000 Commercial Union Masters Tournament.

It has been a long, hard road for the successful eight, a grind that began in December, 1972, with the Australian Open and resumed in Europe in May following the four months of the World Championship of Tennis.

Now, seven months, 51 tournaments and 22 countries later we await the emergence of the Master player whose top prize of $15,000 willl be added to his share of the vast $537,500 that has accumulated during the year to reward the top 35 points winners.

It is significant that four of the eight players here in the Masters chose to by-pass the lucrative but gruelling WCT circuit. Neither Ilie Nastase, who headed the points list (prize $55,000), nor John Newcombe who was second ($37,000) took part and Tom Okker ($27,500) who was third had a bad WCT tour and was therefore less jaded than the winners. Jimmy Connors and Manuel Orantes, who did not play, fill the 4th and 5th places. In 6th place is Jan Kodes who did play without reaching the Dallas final. The man who won the WCT title, Stan Smith, the acknowledged No. 1 player in the world in May, only scraped in at 7th place. The last place is filled by Tom Gorman who with Smith has just been severely mauled by Newcombe and a rejuvenated Rod Laver in the 5—0 Australian Davis Cup victory — the first whitewash for the U.S. since 1956.

All of this suggests that the players who opt to compete in everything that is open to them cannot hope to maintain their peaks indefinitely. With so much money at stake and so many really talented and hungry players after it, the leaders will increasingly have to pace their efforts and be more selective about their playing programmes.

The format this week follows last year's successful innovation. The four players in the Blue group (Nastase, Newcombe, Kodes and Gorman) and the four men in the White group (Okker, Connors, Orantes and Smith) will play round-robin matches to decide an order of merit. On Friday the leader of the Blue group will meet the second man of the White group in one semi-final and the White leader will play the second Blue player in the other. Up to this point all matches will be played over three sets and on Saturday the semi-final winners will contest a full five-set final.

With pride and prestige as well as money at stake, we should witness some thrilling tennis and enthusiasts at home will be able to see an edited version of the final on BBC 1 next Monday night. Who will they be watching? I fancy it might well be young Jimmy Connors playing Ilie Nastase in what would be a repeat of their Dewar Cup semi-final at the Royal Albert Hall. Both players are well rested and eager to finish the year on a high note.

If there is one man to upset that prediction it will be John Newcombe, fresh from an ego-boosting performance in Cleveland who said after his victory in the U.S. Open at Forest Hills in September: "I really trained for this one. I wanted to prove to myself and the world that I am still the No. 1 player." I doubt if, during the past three months, he has changed his mind.

SIH grouping its transport interests in one subsidiary

BY MARGARET REID

SHIPPING INDUSTRIAL HOLDINGS, for which the Vlasov-Capitalfin consortium is bidding 525p a share, is grouping its transportation and forwarding interests with an £18m. yearly turnover, under a major new subsidiary.

The new company, Alltransport International Group, has been formed to bring together under one management the various services and facilities previously provided by the 21 companies making up the H. Clarkson Freight Group, a division of SIH.

Mr. R. J. Wilson, managing director of Alltransport International, said that the decision to group all the facilities of air and surface forwarding, distribution, storage and warehousing, packing and other services under one management was taken in the light of demand for these services to be available in one company.

"Our researches in the U.K. and Europe have shown that Britain's entry into the European Economic Community at the beginning of this year has heightened the demand for such an all-embracing freight movement company in Britain," Mr. Wilson added.

Alltransport International will have five main operating arms —air; distribution; packing; surface; and travel. It is stated that each of its 30 U.K. offices will be able to offer a complete service to customers.

The consortium of Vlasov Shipping, headed by Mr. Boris Vlasov, and the Italian Capitalfin concern already controls some 61 per cent. of the SIH shares.

It is believed that the consortium was aware of the plan for grouping the freight interests under one company. Mr. David Gault, SIH's managing director, said yesterday that he did not think the move greatly affected the bid situation.

Further discussions about the consortium's bid, which SIH's Board, headed by Mr. Peter Parker, has opposed as too low, have taken place between SIH and representatives of the consortium and more talks are planned for to-day.

A spokesman for Drayton Corporation, Vlasov's advisers, said last night that their present intention was to send out the formal offer document for the 525p a share bid for SIH at the end of this week.

HULL BRIDGE DELAYED A YEAR

CONSTRUCTION of the new £1.75m. high-level bridge over the River Hull at Hull has been delayed for a year. The city engineer yesterday told the city's Chamber of Commerce in a letter it had been hoped to make a start on the box-type bridge construction in 1974, but the inquiry report on box-type bridges has been delayed, and subsequently the River Hull bridge would not now be started until 1975.

The bridge will link a new south orbital road with the eastern dock, diverting traffic from the city centre. It is expected to take two years to build.

SHARE INFORMATION SERVICE: NOTES

Unless otherwise indicated prices are in pence, denominations are 25p and dividends are in net percentage terms. Estimated price/earnings ratios and covers adjusted to corporation tax of 50 per cent. on imputation system effective April 6. P/Es calculated on "net" earnings; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" earnings. Covers are based on "maximum" earnings. Yields based on middle prices are gross and allow for value of declared distributions and rights.

Highs and lows marked thus have been adjusted to allow for rights issues for cash.

Interim (or quarterly) since increased or resumed.

Interim (or quarterly) since reduced passed or deferred.

Not comparable ... dividends paid. Figures or report awaited. [illegible]

⊕ Excluding a final dividend declaration. ‡ Regional price. ¶ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k After local taxes. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividends and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, p/e ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yields allow for currency clause. y Dividend and yield based on merger terms. [illegible]

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xb ex capital distribution.

NEW "HIGHS" AND "LOWS" FOR 1973

New "lows," which are too numerous to name individually, were attained by 338 securities and are listed below in their sub-sections. There was one new "high."

NEW "HIGHS" (1)

MINES (1)

Wankie Colliery

NEW "LOWS" (338)

CORPORATION LOANS (1)
COMMONWEALTH & AFRICAN LNS. (3)
AMERICANS (6)
CANADIANS (2)
BANKS (14)
BUILDINGS (31)
CHEMICALS (4)
CINEMAS (2)
DRAPERY & STORES (7)
ELECTRICALS (8)
ENGINEERING (30)
FOODS (11)
HOTELS (5)
INDUSTRIALS (60)
INSURANCE (11)
MOTORS (21)
NEWSPAPERS (2)
PAPER & PRINTING (6)
PROPERTY (7)
SHIPBUILDERS (1)
SHIPPING (3)
SHOES (2)
TEXTILES (12)
TOBACCOS (1)
TRUSTS (82)
OILS (1)
RUBBERS (2)
TEAS (1)
MINES (2)

INSURANCE BASE RATES

† Atlantic Assurance ... 15 %

† Address shown under Insurance and Property Bond table.

BANK BASE RATES

Allied Irish Banks Ltd.	13 %
Anglo-Eastern Bank	13 %
Anglo-Portuguese Bank	13 %
Henry Ansbacher	13 %
Audley Holdings Ltd.	13½%
Banco de Bilbao	13 %
Bank of Cyprus	‡13 %
Barclays Bank	13 %
■ Wm. Brandt's	13 %
Brit. Bk. of Commerce	13½%
Brit. Bank of Mid. East	13 %
■ Brown Shipley	13 %
Cedar Holdings	13 %
■ Charterhouse Japhet	13 %
Choulartons	13 %
C. E. Coates	13 %
Consolidated Credits	13 %
Co-operative Bank	*13 %
Copleys Bank	13 %
Corinthian Securities	13 %
Credit Lyonnais	13 %
Credito Italiano	13 %
G. R. Dawes	13 %
Dawnay Day	13½%
Duboff Brothers	13 %
Dunbar and Co. Ltd.	13½%
Duncan Lawrie	13 %
English Transcont.	13 %
First Maryland	13½%
FNFC	13 %
■ Antony Gibbs	13 %
Gresham Trust	13 %
Greyhound Guaranty	13 %
■ Guinness Mahon	13 %
■ Hambros Bank	13 %
Hawtin & Partners	13½%
■ Hill Samuel	§13 %
C. Hoare & Co.	†13 %
Julian S. Hodge	13 %
Italian International	13 %
Jacobs, Kroll	13 %
Keyser Ullmann	13 %
Kinghurst Securities	13 %
Lloyds Bank	13 %
London & County Sec.	13½%
London & European	13 %
London Cavendish	13½%
London Mercantile	13½%
Midland Bank	13 %
■ Samuel Montagu	13 %
Moorgate Mercantile	13 %
■ Morgan Grenfell	13 %
Morris Wigram Ltd.	13 %
National Westminster	13 %
Northern Comm. Trust	13 %
Norwich General Tst.	13 %
Portman Guaranty	13 %
■ Rea Brothers	13½%
P. S. Refson & Co.	13 %
■ N. M. Rothschild	13 %
Royal Trust of Canada	13 %
St. Mary Axe Finance	13 %
E. S. Schwab	13 %
Security Tst. Co. Bhm.	13 %
Shenley Trust	13 %
Standard Guarantee	13 %
Sterling Credit	13½%
Sterling Industrial Sec.	13 %
Stewart Salmon & Co.	13 %
Swiss-Israel Trade Bk.	13 %
Thames Guaranty	13 %
Trade Development Bk.	13 %
Twentieth Century Bk.	13 %
United Bank of Kuwait	13 %
Wallace Bros. Sassoon	13 %
Whiteaway Laidlaw	13 %
G. T. Whyte	13 %
Williams & Glyn's	13 %
Wintrust	13 %
Yorkshire Bank	13 %

All deposits under £10,000 limited to 9½% as per Bank of England request.

■ Members of the Accepting Houses Committee.

* 7-day deposits £10,000+ 11½%, 1-month deposits 11¾%.

† 7-day deposits in excess of £10,000 up to £25,000 11½%, over £25,000 12%.

§ Demand Deposits 12%, £10,000 and over.

‡ Linked to M.L.R.

'Shell found Poulson expensive'

THE LEEDS corruption trial heard yesterday of disputes between architect John Poulson and two companies—Shell and the Bovis Building Group.

The consortium building the Aviemore winter sports centre in Scotland became "disenchanted" with the architect when the fees started coming in, Mr. Archibald Hardy, former managing director of Shell and BP (Scotland) told Leeds Crown Court. "They were very expensive," he said.

Poulson, 63, and William George Pottinger, 57, former departmental chief at the Scottish office, face corruption charges arising out of £30,000 worth of gifts given by Poulson to Pottinger. Both men admit the gifts, but deny any corrupt intent.

Poulson was the architect for the whole Aviemore scheme, but clashes followed when Shell decided to use its own planners for a filling station, said Mr. Hardy. The company later withdrew from the consortium, taking with it the £20,000 it had invested in the scheme.

Mr. Francis Seligman, a former senior official with Shell, said Shell's architects produced plans for a chalet development at half the price proposed by Poulson. He thought the chances of Poulson's ideas being a success were "absolutely nil."

Mr. Harry Vincent, then chairman and managing director of the Bovis Building Group, said he recommended Poulson when the Aviemore idea was conceived in the early 1960s. He understood Pottinger had been appointed by the Scottish Office to assist with Aviemore.

Mr. Vincent said he did not know that copies of letters he had writen to Poulson had been passed to Pottinger.

He would have been "unpleasantly surprised" if he had known that Pottinger had on occasions writen letters for Poulson and that the two of them, with their families, had gone on holiday at Poulson's expense

Mr. John Cobb QC, prosecuting, read a letter in which Poulson asked Pottinger to be sure to attend the next Board meeting "to try and stop Harry Vincent from talking" about a letter on which he was taking legal advice.

But Mr. Vincent said no one had ever tried to stop him talking at a Board meeting.

The trial resumes to-morrow.

PENSIONERS' RALLY IN LONDON TO-DAY

More than 2,000 pensioners from all over Britain are expected in London to-day to take part in a national assembly sponsored by the Labour Party.

The assembly starts at 2.00 p.m. in the Central Hall, Westminster. Mr. James Callaghan, Labour Party chairman, will be in the chair. Other speakers include Mrs. Barbara Castle, MP, Mr. Len Murray, general secretary of the TUC, Mr. Jack Jones, general secretary of the Transport and General Workers' Union.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Mon. Dec. 3 Index No.	Day's Change %	Est. Earnings yield % (full)	Gross Div. yield %	Est. P/E Ratio (net)	Est. P/E Ratio (nil)	Fri. Nov. 30 Index No.	Thurs. Nov. 29 Index No.	Wed. Nov. 28 Index No.	Tues. Nov. 27 Index No.	Year ago (approx.) Index No.	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (185)	138.46	—1.0	12.75	5.11	10.86	10.86	139.85	141.58	142.47	139.85	186.59	186.06 (17/1)	138.46 (3/12)	206.37	82.82
2	Building Materials (29)	135.53	—2.1	14.76	5.27	9.28	9.28	138.43	140.76	141.23	138.60	196.88	196.69 (2/1)	135.53 (3/12)	233.84	85.01
3	Contracting, Construction (22)	240.39	—2.7	13.72	3.61	10.29	10.26	247.07	250.32	253.54	247.53	345.24	348.47 (17/1)	240.39 (3/12)	389.35	84.39
4	Electricals (17)	255.56	+0.2	11.75	4.02	11.66	11.66	255.97	258.04	260.24	256.84	315.78	307.90 (9/1)	255.97 (30/11)	350.04	84.71
5	Engineering (Heavy) (15)	139.89	—0.9	14.68	5.55	9.03	9.03	141.09	144.60	143.75	141.99	164.98	202.57 (8/6)	139.89 (3/12)	202.57 (8/6/73)	139.89 (3/12/73)
6	Engineering (General) (64)	114.80	—0.4	12.32	6.23	11.33	11.34	115.21	116.54	117.35	115.12	156.58	158.64 (2/1)	114.80 (3/12)	166.59 (4/5/72)	114.80 (3/12/73)
7	Machine and Other Tools (14)	51.42	—1.4	5.77	7.55	29.75	27.54	52.15	52.30	52.35	51.05	61.76	67.88 (8/6)	51.05 (27/11)	136.70 (4/7/66)	45.86 (5/3/71)
8	Miscellaneous (24)	125.19	—1.6	12.09	5.00	11.56	11.54	127.27	128.81	129.35	127.63	171.30	175.76 (11/1)	125.19 (3/12)	177.41 (27/4/72)	89.01 (8/11/66)
9	CONSUMER GOODS (DURABLE) (59)	144.60	—1.2	13.94	4.27	9.95	9.91	146.31	148.71	150.52	148.00	208.66	210.88 (11/1)	144.50 (3/12)	227.78 (21/4/72)	79.16 (25/6/62)
10	Lt. Electronics, Radio TV (14)	180.17	—0.1	10.80	2.51	12.92	12.86	180.38	183.94	185.07	182.98	249.57	261.95 (11/1)	180.17 (3/12)	257.41 (19/6/72)	71.10 (16/1/68)
11	Household Goods (16)	195.71	—0.5	15.16	4.32	9.15	9.08	196.70	198.51	197.51	196.70	242.71	237.99 (2/1)	195.71 (3/12)	263.22 (4/5/72)	86.55 (28/6/62)
12	Motors and Distributors (29)	72.52	—3.5	18.78	7.30	7.34	7.32	75.15	76.20	78.52	76.04	119.26	122.76 (17/1)	72.52 (3/12)	170.59 (15/1/69)	72.52 (3/12/73)
13	CONSUMER GOODS (NON-DURABLE) (169)	151.96	—0.4	11.52	4.89	11.96	11.87	152.57	154.68	155.23	152.08	216.81	212.13 (2/1)	151.96 (3/12)	226.08 (16/8/72)	83.71 (8/11/66)
14	Breweries (16)	182.92	+0.1	11.52	4.85	12.40	12.40	182.65	184.65	184.77	179.66	280.29	265.23 (2/1)	179.66 (27/11)	281.67 (22/11/72)	80.30 (30/8/66)
15	Wines and Spirits (8)	178.70	—0.9	10.27	4.74	13.76	13.75	180.28	183.19	182.58	177.41	207.35	216.12 (17/1)	174.44 (11/7)	257.40 (13/7/72)	118.78 (15/6/70)
16	Entertainment, Catering (16)	188.25	—1.0	15.33	5.62	10.27	10.28	190.10	192.69	192.01	187.05	315.70	323.23 (19/7)	187.05 (27/11)	329.99 (12/12/72)	30.11 (23/7/62)
17	Food Manufacturing (24)	131.65	—0.6	12.85	5.10	10.66	10.66	132.49	134.36	135.79	133.04	191.49	187.87 (2/1)	131.65 (3/12)	211.66 (1/5/72)	95.98 (15/6/70)
18	Food Retailing (18)	143.73	+0.1	9.32	3.62	15.20	15.20	143.58	144.99	145.91	141.53	214.12	217.48 (2/1)	141.53 (27/11)	255.08 (15/6/72)	94.62 (26/5/70)
19	Newspapers, Publishing (16)	211.21	—0.7	11.90	4.15	11.92	11.92	212.65	212.98	211.85	206.39	241.51	260.29 (18/1)	206.39 (27/11)	260.29 (18/1/73)	81.74 (6/6/62)
20	Packaging and Paper (14)	91.91	—1.0	12.33	6.06	11.09	11.07	92.85	94.26	94.41	91.87	122.54	126.47 (2/1)	91.87 (27/11)	135.69 (28/4/72)	87.91 (25/6/62)
21	Stores (28)	137.74	—2.2	9.65	4.11	14.83	14.81	138.08	140.95	141.48	138.91	193.03	186.50 (2/1)	137.74 (3/12)	204.39 (16/8/72)	72.74 (8/11/66)
22	Textiles (20)	153.56	—0.2	14.88	6.16	7.91	7.38	154.01	154.87	157.27	154.84	226.97	213.80 (2/1)	153.56 (3/12)	253.72 (17/8/68)	89.90 (20/7/62)
23	Tobacco (3)	216.58	—0.7	14.52	7.29	9.63	9.63	218.18	219.47	219.37	219.47	294.06	289.66 (2/1)	216.58 (3/12)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	59.15	—2.1	15.55	3.84	10.31	10.31	60.45	61.20	60.02	58.27	77.76	80.79 (15/1)	58.27 (27/11)	135.72 (16/1/70)	44.90 (19/8/71)
	OTHER GROUPS															
25	Chemicals (22)	150.51	—	9.00	4.67	15.02	15.00	150.44	153.09	153.95	150.66	190.69	191.47 (17/1)	149.69 (28/11)	201.92 (31/1/69)	95.29 (25/6/62)
26	Office Equipment (10)	164.12	—1.2	6.23	2.59	21.17	21.17	166.15	169.92	166.21	165.66	231.07	227.62 (9/1)	162.36 (28/11)	246.06 (1/8/72)	109.12 (26/5/70)
27	Shipping (10)	381.42	+0.4	10.47	4.62	11.35	10.36	379.87	395.45	395.84	386.65	514.45	515.97 (19/1)	379.87 (30/11)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (41)	175.95	—1.0	11.20	4.60	12.54	12.53	177.79	180.90	180.50	176.04	249.03	252.39 (17/1)	175.95 (3/12)	258.65 (2/5/72)	76.62 (6/11/66)
29	INDUSTRIAL GROUP (496)	151.84	—0.6	11.46	4.75	11.97	11.89	152.78	155.11	155.68	152.49	210.54	207.00 (2/1)	151.84 (3/12)	220.17 (1/5/72)	80.61 (3/3/71)
30	Oil (4)	255.38	—0.8	5.89	4.82	22.53	17.01	257.21	261.56	260.97	257.07	311.54	328.39 (15/1)	247.06 (15/10)	431.66 (29/5/68)	87.23 (29/6/62)
31	500 SHARE INDEX	160.77	—0.6	10.75	4.76	12.75	12.38	161.79	164.30	164.76	161.52	219.38	217.40 (10/1)	160.77 (3/12)	227.95 (16/8/72)	84.86 (26/6/62)
32	FINANCIAL GROUP (101)	168.34	—1.3	—	3.65	—	—	170.59	174.34	174.54	170.94	251.32	230.42 (9/1)	168.34 (3/12)	241.41 (21/4/72)	69.83 (30/8/66)
33	Banks (6)	190.36	—1.0	14.09	3.50	10.03	10.03	192.25	199.14	198.10	191.62	264.85	269.62 (9/1)	189.81 (6/9)	288.32 (20/7/71)	69.25 (16/6/64)
34	Discount Houses (8)	146.66	—3.8	—	8.00	—	—	152.46	153.72	154.86	155.20	241.79	258.57 (25/6)	146.66 (3/12)	293.15 (2/5/72)	87.65 (16/6/69)
35	Hire Purchase (5)	268.27	+0.6	12.76	4.70	11.13	11.13	266.75	274.97	274.89	267.40	392.94	374.92 (9/1)	255.75 (30/11)	433.72 (4/5/72)	80.02 (6/8/65)
36	Insurance (Life) (9)	124.19	—2.4	—	4.35	—	—	127.19	129.18	128.72	125.69	189.60	185.26 (8/1)	124.19 (3/12)	194.46 (15/3/72)	61.35 (30/8/66)
37	Insurance (Composite) (8)	95.19	—1.9	—	5.36	—	—	97.00	96.66	97.86	96.28	147.02	141.37 (8/1)	95.19 (3/12)	155.76 (21/4/72)	54.40 (16/3/66)
38	Insurance (Brokers) (8)	202.89	—0.4	7.84	3.65	18.03	18.03	203.69	204.05	203.58	200.04	259.37	249.06 (2/1)	190.95	262.37 (12/12/72)	92.39 (8/7/69)
39	Merchant Banks (18)	168.45	—0.6	—	3.38	—	—	169.64	173.87	175.56	173.47	243.85	253.19 (9/1)	168.45 (3/12)	278.57 (1/5/72)	50.47 (25/7/66)
40	Property (29)	281.53	—1.5	3.72	2.21	36.28	35.57	286.77	292.81	295.01	289.80	308.95	357.40 (9/11)	282.65	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (10)	163.29	—1.8	13.15	5.47	10.83	10.85	166.32	171.19	171.59	166.01	262.81	261.14 (17/1)	163.29 (3/12)	303.15 (18/5/72)	120.08 (31/12/70)
42	Investment Trust Group (50)	159.92	—0.7	3.61	3.46	27.80	27.58	161.01	165.79	163.61	159.59	257.15	228.14 (18/1)	159.59 (27/11)	[illegible]	50.84
43	ALL-SHARE INDEX (651)	161.25	—0.8	—	4.44	—	—	162.52	165.28	165.65	162.30	221.47	219.04 (10/1)	161.25 (3/12)	228.18 (1/5/72)	66.72 (26/6/62)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	399.01	—1.0	5.31	5.12	26.37	20.08	403.22	405.95	397.00	399.92	379.39	555.37 (25/7)	397.00 (28/11)	555.37 (25/7/73)	94.68 (25/6/65)
45	Teas (10)	105.60	—0.9	3.09	8.32	50.01	37.71	106.60	106.75	107.25	106.94	103.90	120.92 (18/1)	103.71 (28/9)	121.47 (1/5/72)	59.96 (14/11/68)
46	Coppers (4)	382.91	—0.3	28.05	14.67	3.57	3.57	384.13	385.30	384.88	383.30	431.32	567.78 (15/7)	350.66 (3/9)	567.78 (15/7/73)	94.06 (29/4/62)
47	Mining Finance (11)	90.67	—0.5	7.42	3.34	14.45	14.42	91.15	93.00	89.39	84.95	109.87	127.69 (26/7)	84.95 (27/11)	175.90 (23/4/69)	70.95 (2/11/71)
48	Tins (8)	88.75	—	8.64	6.92	16.50	12.71	88.75	88.75	88.20	88.20	105.14	135.54 (12/1)	85.87 (12/6)	135.54 (12/1/73)	54.85 (27/5/71)

	FIXED INTEREST	Monday, Dec. 3 Index No.	Monday, Dec. 3 Yield %	Friday Nov. 30	Thurs. Nov. 29	Wed. Nov. 28	Tuesday Nov. 27	Monday Nov. 26	Friday Nov. 23	Thursday Nov. 22	Year ago (approx.)	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	12.28	12.35	12.27	12.26	12.18	12.26	12.17	12.16	9.72	—	—	—	—
2	20-yr. Govt. Stocks (6)	57.73	‡11.38	57.79	58.24	58.26	58.66	58.25	58.54	58.51	73.42	74.22 (15/1)	57.73 (3/12)	115.42 (11/9/65)	57.73 (3/12/73)
3	20-yr. Red. Deb. & Loans (15)	57.37	‡12.94	57.79	57.77	57.85	57.76	57.76	57.99	57.96	71.15	72.05 (22/2)	57.37 (3/12)	115.43 (25/10/65)	57.37 (3/12/73)
4	Investment Trusts Prefs. (15)	49.10	13.49	49.10	49.10	49.10	49.10	49.23	49.46	49.48	71.52	69.76 (15/1)	49.10	114.41	49.10
5	Coml. and Indl. Prefs. (20)	52.61	13.48	52.57	52.67	52.77	52.67	53.00	53.90	53.90	78.59	77.35 (5/1)	52.57 (30/11)	114.41	52.57 (30/11/73)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Engineering (Heavy)	31/12/71	153.84	Toys and Games	16/1/70	135.72
Engineering (General)	31/12/71	153.84	Office Equipment	16/1/70	162.74
Food Manufacturing	29/12/67	114.13	Industrial Group	31/12/70	128.06
Food Retailing	29/12/67	114.13	Miscellaneous Financial	31/12/70	128.06
Insurance Brokers	29/12/67	96.67	All Other	10/4/62	100.00
Mining Finance	29/12/67	100.00			
Wines and Spirits	16/1/70	144.76			

‡ Redemption yield. F.T.-Actuaries Indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 14p. Commonwealth 18p. Foreign 22p.

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
1-3, St. Paul's Churchyard, E.C.4.

Fidelity Life Assurance Ltd.
Fidelity House, Corporation Street, High Wycombe.

Growth & Sec. Life Ass. Soc. Ltd.

Life Assur. Co. of Pennsylvania
12, New Bond St., NW1Y 0RQ

Lloyd's Life Assurance Ltd.
2 Leadenhall St., EC3M 7LS.

London Indemnity & General

Save and Prosper Group
4, Gt. St. Helen's, London

Savegard Assurance Limited.

[illegible]

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For Notes, see page 37

BANKS AND HIRE PURCHASE

Hire Purchase etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS—(Miscell.)

INDUSTRIALS—Continued

INSURANCE

MACHINE TOOLS

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TEXTILES—Continued

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Finance, Land, etc.

OILS

OILS—Continued

1973 High	Low	Stock	Price	+ or −	Net Div.	Cvr	Y'ld pc
210	145	Tricentrol	167	−6	15.6	3.9	1.8
294	196	Ultramar	206	−2	5—	—	—
70	53	Walker Cent. 10p.	53	......	17.6	2.5	4.8
97	35	Weeks Nat. 10cts.	66	......	—	—	—
101	40	Do. Pfd. Ord 10c.	68	......	—	—	—
45	15	Do. Options	29	......	—	—	—
216½	78	Wood-Brm. A50c.	112	−2	—	—	—

RUBBERS AND SISAL

1973 High	Low	Stock	Price	+ or −	Net Div.	Cvr
41	30	Anglo-Indonesian	32	......	—	—
50	29	Bertam Con. 10p	36	......	12.9	0.9
84	52	Bradwall 10p	72	......	14.7	0.8
77½	25	Brit. Mort. 10p	60	−5	♦Q12½	2.6
114	78	Castlefield 10p	88	......	Q15	1.5
85	63	Chersonese 10p	63	−1	28	0.7
77½	43	Cons. Plants 10p	55	......	15.2	♦
29	20	Dwa. Plant 10p	24	......	♦R	—
45½	17	Gadek 10p	40	......	27	0.8
87	57	Golden Hope 10p	58	......	25.7	1.0
7½	4¼	Grand Central 10p	4½	......	25	0.3
445	316	Guthrie Corp £1	316	−6	12.9	1.3
129	82	Highlands 10p	91	−1	†25.7	0.5
46	21	Kuala Kepong M$1	36½	−1½	Qh6¼	1.8
41	28	Kulim 10p	30	−½	†11.9	0.8
60½	38½	Ldn. Asiatic 10p	39	+½	h17.5	1.2

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES—CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TINS

COPPER

MISCELLANEOUS

Lombard

Market sickness—spin-off danger

BY C. GORDON TETHER

"Are the gyrations of the stock markets important?" asked one City Editor recently. And he then went on to assert that, as the City may or may not be right, the real argument ought to be whether its opinions matter a great deal in influencing political judgments and the behaviour of business. The issue, unfortunately, is not as simple as that.

However irrational or lacking in discernment the stock markets may be and however modest the part they play in influencing political judgments and business community attitudes, their behaviour can have repercussions of great practical importance even when they are striking a highly optimistic note—the sense of prosperity they induce in the investing public at such times can, for example, add materially to inflationary pressures. When they are in acutely pessimistic mood—as they are, at the moment, throughout the world—such reverberations are apt to be of very much more serious order still.

The list of major countries whose stock markets are currently reporting ordinary share index figures at least 20 per cent. below 1973 "highs" is now extremely long—Canada with 10 per cent., Belgium with 12 per cent. and Sweden are about the only exceptions. Of the remainder, Denmark, France, Italy, the U.S. and South Africa are all showing falls of between 20 and 24 per cent., while Tokyo has clocked up one of 25 per cent., Germany 27 per cent. and Britain and Switzerland 30 per cent.

Inauspicious

The extent of the stampede out of equities this picture portrays looks the more serious if one remembers that the 1973 "highs" were themselves in some cases below the average levels for recent years, and also that the indices take no account of depreciation of real values arising from the rapid erosion of the value of money. Moreover, because most of the main equity indices tend to be oriented towards "blue chip" stocks, they often under-state the drop that has taken place over the field as a whole.

If stock market ebullience can provide an unwanted stimulus to economic activity, it follows that gloom of the Stygian order that is prevalent to-day is capable of operating as a powerful brake. In other circumstances, of course, such "intervention" might not be altogether unwelcome. But coming at a moment when the oil crisis is threatening to join forces with other factors to produce a decidedly worrying drop in the world's economic temperature, it could hardly be more inauspicious.

And that, unhappily, is far from being the only damage that the universal demoralisation of the stock markets is capable of inflicting on the world's increasingly vulnerable economic wellbeing. Another inevitable effect will be to bite deeply into the collateral on which a great deal of bank lending rests.

At best, this must have the effect of making it more difficult for businessmen to arrange additional credit or secure the renewal of existing facilities. At worst, it could lead to widespread calling in of the more insecure credit lines and thence to an upsurge in bankruptcies — with baleful "chain reaction" implications.

Moreover, the impact on world economic activity of such a turn in the situation will inevitably tend to be exacerbated by the tendency for that great font of finance represented by the Euro-currency market to lose its former exuberance—in face of such disconcerting happenings as the San Diego bank failure, the pull-out by Japanese banks and the deterioration in the international financial environment.

Last, but by no means least, is the added weight that the big tumble in share values is giving to the forces that are making it increasingly difficult for industry to raise non-banking capital for financing new capital outlays. The current jacking up of interest rates in the "safe"—hopefully—fixed interest sector makes it difficult in any case to attract money into equity employment. It becomes next to impossible to do so when Stock markets are looking as uncongenial as they are at the moment.

In short, the sickness that has overtaken the Stock markets has to be taken very seriously indeed—whether or not it can be held to be unjustified or unrealistic. And official attempts—such as British Ministers are specialising in—of trying to dispose of the problem by perpetually talking expansion being destined to go on for ever and ever can do nothing but make matters worse when everyone can see that they may now be based on little more than wishful thinking.

THE LEX COLUMN

Index fell 0.4 to 363.8

Cement majors' problems in 1974

Rugby Portland's interim results are not going to reverse its marked price weakness relative to Associated Portland over the past six months. A £713,000 profits rise to £4.7m. includes an extra £150,000 plus from Australia—mainly currency swings—and at least another £100,000 from interest receipts. In addition, U.K. capacity has been running at very high levels with deliveries up by 15 per cent. after ten months, and the steel reinforcement group—a tenth of profits last year—is also doing very well. Rugby connoisseurs, however, will wish to ponder the implications of a rise of a quarter in the depreciation charge. This, apparently, includes something for the Ferriby works, which does not open until the latter half of next year and which will add about an eighth to U.K. capacity.

The fact is that next year is going to be the big challenge for Rugby and the sector. The first hurdle is the imminent court ruling on the application to break up the industry's common pricing structure, and although the manufacturers remain publicly confident about the outcome of *any* decision, the demand side of the pricing equation does not look bright. If projections of a rise of just about 1 per cent. in construction output next year are anywhere near the mark, there is going to be precious little growth in domestic cement deliveries. The industry has not had a price rise since May, 1971, and with at least some of the manufacturers now facing higher coal costs along with everything else, it is certainly going to need one early next year.

These worries have been prompting one or two heretics to suggest that Rugby's impeccable record is going to be tested in 1974. Don't bet money on it. Rugby is happier than most about the outlook for U.K. demand, and is very confident about Australia. The shares stand at a 4-year low of 65p, and a prospective p/e of around 8½—against maybe 8 for APCM—will be worth watching for any sign of support. But the wild card is Tunnel — stuffed with cash and on a p/e of about 7. Ward may be feeling a bit awkward about the fact that the shares have dropped 30 per cent. since it paid a fat price for 30 per cent. of the votes a couple of months ago.

EMI

Capitol and its fat first quarter notwithstanding, EMI has encountered some outside pessimism lately due to its heavy commitment to records, with worried noises being made about shortages of plastics, and cardboard for packaging in particular. However, the AGM forecast from Emmies is still further progress this year, backed up with "substantially higher" profits in the first four months. Perhaps using Capitol as an early warning system, it saw the threat of supply shortages a long time ago—relating them to the U.S. energy gap rather than the current oil crises—and as things stand now it sees no problem at least until next summer; if pushed, it will remind you that its main requirement is a by-product of petrochemical manufacture—you can imply what you like about the indirect effects of special treatment for strategic industries.

With recovery hopes for the leisure side bolstered by the Elstree rationalisation, and growth aspirations for electronics still intact, EMI is nearly half way towards proving that last year's performance was not just a high point in a cycle. At 144p on a p/e of 11, the shares may be half way to accepting it.

Haslemere

Yesterday's interim report from Haslemere Estates emphasised once again that investment arithmetic means next to nothing in this market. People had been saying that LSIT's 27 per cent. upvaluation since the spring of this year might in fact have been conservative. Haslemere tends to back this up, with the estimate that properties valued at £62m. in March 1973 could now be worth £40m. more. This would take net assets up to 382p a share, and outside estimates of the worth of the development properties throws up a figure of 531p fully diluted. The market reaction was to drop the shares by 10p to 308p, so if you accept the estimates that would put them on a discount to net worth of 42 per cent.

It is possible to see how the big differential between March and now arose. The revaluation then was hedged around with caveats—Phase Two, the business rents standstill, possible controls on reversionary potential and the chance of a marginal rise in yields. The subsequently rapid rise in prime Central London rents, then, was probably compounded by a somewhat less conservative approach. The temptation to link that with the presence of Throgmorton Securities and its 18 per cent. holding is probably one that should be avoided. But until property companies are willing to reveal the yield bases for their revaluations, so that comparisons can be made between companies and with previous years, there is no way of telling if a revaluation is generous—or simply a little less cautious than before.

CFP

Consolidated first half figures from Compagnie Française des Pétroles offer, on the face of it, quite a contrast to the buoyancy of most other oil majors, even though crude availability jumped more than a fifth in the period, presumably reflecting recovery from 1972's nationalisation problems in Iraq; earnings of Frs.13.5 a share only match the published annual rate of 1972. Stripping out exceptional items and currency swings, however, suggests an underlying improvement of over two-fifths, while the third quarter apparently showed continued strength. But around 80 per cent. of Total's crude comes from Arab sources, and even after dropping Frs.6.3 in Paris yesterday to Frs.193.8 it can no longer be said that CFP offers a significantly cheaper 1973 p/e than BP's.

Weather

U.K. TO-DAY

BECOMING cloudy in [illegible] regions. Rain in the north-west, but mainly dry else[illegible]. Temperatures near norma[illegible]

S.E., Central S., S.W. [illegible] Channel Islands, Wales [illegible]

Mostly cloudy, mainly [illegible] Wind north to westerly, [illegible]ate. Max. 10C (50F).

London area, E. Anglia, [illegible] W. Midlands

Mostly cloudy, mainly [illegible] Wind north-west, modera[illegible] fresh. Max. 10C (50F).

E., N.W., Central N. Eng[illegible] Lake District, Isle of Man, [illegible] N.W. Scotland, Central [illegible] lands, Argyll, N. Ireland

Cloudy with occasional [illegible] or drizzle. Wind north[illegible] moderate or fresh. Max. [illegible] (48F).

N.E. England, Borders, E. [illegible] land, Moray Firth, Caith[illegible] Orkney, Shetland

Sunny intervals, becom[illegible] cloudy with occasional [illegible] Wind north-west, strong. [illegible] 8C (46F).

Outlook: Becoming colder, brighter generally, with sno[illegible] north and east.

Lighting-up: London 1[illegible] Manchester 16.22, Glasgow 1[illegible] Belfast 16.30.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			
Amstrdm.	R	1	34	Melbourne	C	[illegible]
Bahrain	S	27	80	Mexico C.	S	[illegible]
Beirut	F	20	68	Milan	S	[illegible]
Belfast	C	10	50	Montreal	C	[illegible]
Belgrade	F	—8	19	Moscow	S	[illegible]
Berlin	Sn	—3	27	Munich	R	[illegible]
Birmghm.	C	9	48	Newcastle	F	[illegible]
Bristol	R	8	46	New York	S	[illegible]
Brussels	S	0	32	Oslo	F	[illegible]
Budapest	S	—7	19	Paris	Sn	[illegible]
B. Aires	C	23	73	Perth	F	[illegible]
Cardiff	C	9	48	Prague	C	[illegible]
Cologne	Sn	—3	27	Reykjavik	C	[illegible]
Copnhagn.	C	3	37	Rio de J'o	S	[illegible]
Dublin	C	9	48	Rome	C	[illegible]
Edinb'rgh	F	9	48	Singapore	S	[illegible]
Frankfurt	C	—10	14	Stockholm	F	[illegible]
Geneva	Sn	—7	19	Strasbourg	C	[illegible]
Glasgow	C	9	48	Sydney	S	[illegible]
Helsinki	Sn	—3	25	Tehran	S	[illegible]
H. Kong	S	21	70	Tel Aviv	S	[illegible]
Jo'burg	C	20	68	Tokyo	S	[illegible]
Lisbon	S	7	45	Toronto	S	[illegible]
London	C	8	46	Vienna	S	[illegible]
Luxembrg.	C	—9	16	Warsaw	C	[illegible]
Madrid	S	5	41	Zurich	S	[illegible]
Manchstr.	R	8	46			

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			
Ajaccio	S	7	45	Jersey	R	[illegible]
Algiers	C	5	41	Las Plms.	C	[illegible]
Barcelona	S	6	43	Locarno	S	[illegible]
Biarritz	F	9	48	Majorca	F	[illegible]
Blackpool	C	8	46	Malaga	F	[illegible]
Bordeaux	C	—2	28	Malta	S	[illegible]
Boulogne	C	6	43	Nairobi	C	[illegible]
Casablnca.	C	16	61	Naples	R	[illegible]
Cape Tn.	C	21	70	Nassau	S	[illegible]
Corfu	C	18	64	Nice	S	[illegible]
Dubrovnik	C	5	41	Nicosia	C	[illegible]
Faro	S	12	54	Oporto	S	[illegible]
Florence	S	1	34	Rhodes	F	[illegible]
Funchal	C	19	66	Salzburg	S	[illegible]
Gibraltar	S	14	57	Tangier	S	[illegible]
Guernsey	R	9	48	Tenerife	C	[illegible]
Innsbruck	S	—13	9	Tunis	R	[illegible]
Inverness	C	10	50	Valencia	S	[illegible]
I. of Man	C	10	50	Venice	S	[illegible]
Istanbul	R	4	39			

S—Sunny. C—Cloudy. F—Fair. R—Rain. Sn—Snow.

Pooling of EEC currency reserves is postponed

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, Dec. 3.

FIRM OPPOSITION from France, Germany and the Netherlands to-day forced the nine Common Market countries to postpone plans to start pooling their gold and foreign currency reserves at the beginning of next year.

The same three countries, which together hold around two-thirds of the Community's total reserves, also sharply criticised proposals by the Brussels Commission for increasing Community credits for short-term currency support from January 1.

Early start

All the other countries argued for an early start for reserve pooling, together with a simultaneous increase in the short-term credits. The Commission had proposed that the member States start by pooling 10 per cent. of their reserves on January 1, and at the same time increase the short-term credits from 1,360m. to 7,200m. units of account (pre-Smithsonian dollars).

France, Germany and the Netherlands, however, flatly turned down any idea of pooling reserves at the beginning of next year, even as a symbolic gesture, at to-day's Council meeting of Finance Ministers here. France and the Netherlands added that a decision on the value of gold would have to be taken before any reserve pooling could start.

With no prospect of agreement before the end of the year, the ministers decided to ask for fresh Commission proposals for next March, with a view to a possible start to reserve pooling at the end of June. Meanwhile, they will continue discussion of an increase in the short-term credit system at their next meeting here, on December 17 and 18, immediately after the Copenhagen "summit."

To-day's meeting has thus made it quite clear that there will be at most scant progress towards further monetary integration in the Community on January 1, when the next stage of the move to full economic and monetary union is due to begin.

Although the ministers are to discuss the short-term credit system again in two weeks' time, Germany, France and the Netherlands all said to-day that the Commission's present proposals were too ambitious, and Germany insisted that rigorous conditions should be fixed for any country drawing under the scheme.

Herr Helmut Schmidt, the German Finance Minister, warned that the oil crisis would lead to even greater movements of capital in 1974 than had taken place this year. The short-term credits should accordingly only be available subject to stringent controls.

Dr. Karl Klasen, President of the Bundesbank, told Ministers that the Community's central bankers also had objections to the Commission's proposals. There should be no link between reserve pooling and increased credits, he said; the credits should be much more limited than the Commission had proposed, and the credits should only be available to support currencies participating in the Community's joint float against the dollar.

This would exclude the pound and the lira, which are currently floating independently.

U.K. line

Mr. Anthony Barber, the Chancellor of the Exchequer, said that as the pound was not participating in the Community currency "snake," he did not think the U.K. could take a strong line on the issue.

The British view is that the support envisaged is in any case so small that it would not make much difference, for the time being, whether the credits were available to the U.K. or not.

Britain backs the reserve pooling and credit proposals more as a first step towards a much wider pooling of the Community's resources, rather than for their immediate practical effects.

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Withdrawal from Italy confirmed by Shell

By Peter Tumiati

ROME, Dec. 3.

SHELL ITALIANA, the Italian affiliate of the Royal-Shell Dutch group, has now officially admitted to its employees that it is negotiating with the State-controlled ENI Oil Corporation the sale of its Italian operation and the withdrawal of the group from Italy.

Shell Italiana's 3,500 employees, who fear for their jobs, held meetings in a number of towns to-day to approve a request for support from the trade unions in Shell throughout Europe, particularly in Britain and Holland.

What is expected to be the final round of negotiations between Shell and ENI is to start in Rome to-morrow. The main issue is believed to concern the size of a long-term undertaking by the Shell group to supply ENI with crude oil after its withdrawal from Italy.

It is believed that Shell wants to retain in Italy no more than a small petrochemical company, Monteshell, which markets Shell's petrochemical products, its exploration activities in the Adriatic and its share of a company called SSOS (Sub Sea Oil Services).

Responsible Italian business and financial circles are aghast at the prospect of Shell withdrawing from Italy, because of the psychological repercussions such a decision would inevitably have internationally.

BP sold its Italian subsidiary and withdrew from Italy earlier this year, but it entered the Italian market only in 1958. Shell has been in Italy since 1912.

The sale of its Italian operation, linked as it is to a continued supply of crude oil, is likely to be interpreted as lack of confidence in the future of Italy as a member of the Western world. The withdrawal of Shell is expected to make many other Western potential investors in Italy think again.

Even the Italian Government is divided over the question. Several Ministers are known to be opposing the whole idea of a takeover by ENI, largely because of the international repercussions such a move would have.

The question is reported to have been taken up with the British and Dutch Governments, in the hope that they will persuade Shell to reverse its decision. The largest U.S. oil companies operating in Italy say, in private, that a withdrawal of Shell would be the "beginning of the end" for them, too, in Italy.

More ministerial changes likely after recess

BY JOHN BOURNE, LOBBY EDITOR

THE PRIME MINISTER is expected to announce further ministerial changes, probably after Christmas and before the Commons settles down to its next term's work in mid-January.

Ministers believe that the next list will concentrate mainly on promoting some of the abler junior ministers and backbenchers.

Those ministers to be dropped it is felt, might well extend into the Cabinet.

Behind scenes

For example, some Conservative MPs report growing dissatisfaction with the public and parliamentary performances of Mr. John Davies, Chancellor of the Duchy of Lancaster, although some others argue that as Minister for Co-ordination Policies towards the EEC he does well in his work behind the scenes.

Another possible candidate for change is said to be Mr. Gordon Campbell, Secretary of State for Scotland, who is said to have failed to make a very strong impact in the Cabinet. However, contrary to some Press reports, he is now said to be well thought of by the Conservative Party leadership in Scotland.

If Mr. Campbell were moved, Mr. Heath would want to appoint another Scot, preferably representing a Scottish constituency. Those in this category include Mr. Alick Buchanan-Smith (Angus North and Mearns), Mr. Hector Monro (Dumfries) and Mr. George Younger (Ayr)—all of them at present Under-Secretaries at the Scottish Office —and Mr. Anthony Stodart, (Edin. West), who is Minister of State at Agriculture.

The changes, whenever they come, will probably be the final ones, to give Mr. Heath the strongest administration he can devise for the run-up to the General Election.

Lord Hailsham, the Lord Chancellor and a senior member of the Cabinet, yesterday gave a hint about what he thought should be the dominant issue at the election. Speaking at the Junior Carlton Club about the dangerous and open "threat to the rule of law," represented among other things by those Labour MPs who had "unjustly criticised" Sir John Donaldson, President of the Industrial Relations Court, he said this onslaught on Sir John was "a grave constitutional issue."

He appealed to electors to note the identity and the party of the MPs involved — nearly 200 Labour MPs have signed a motion calling for a committee to consider the dismissal of Sir John—and he urged the electors to "strike a blow for the integrity and independence of the judges in this country."

Earlier, Lord Hailsham said that the electorate, before going to the polls and before asking themselves "the popular questions about prices and incomes and the effect on their own pockets of individual items of policy," should also ask how this country wished to be governed, what were the requisites of the rule of law and were we at present providing the requisite minimum basis on which the rule of law can be founded.

Everyone, including trade unionists, should ask themselves that last question, he added.

Too serious

Mr. Harold Wilson, the Labour Leader, yesterday attacked Mr. Heath's latest ministerial changes. He said: "Willie Whitelaw is to be, of all things, deputy to the Chancellor of the Exchequer (on prices and incomes), while Mr. Macmillan reverts to an already discredited Treasury team.

"There is one serious ommission. The Prime Minister should have appointed a Minister of Fuel and Power. The energy crisis is too serious to be left as a part-time job for the Secretary for Trade and Industry.

DTI probes oil crisis effect on capital investment plans

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

AN ASSESSMENT of the way the oil crisis has affected industry's plans for capital investment next year is being conducted by the Department of Trade and Industry.

Figures published yesterday suggest that capital investment plans were roughly on course during the third quarter of this year, with expenditure showing a rise of about 6 per cent. in volume terms from the second quarter level.

At this stage, the earlier forecast of a 6 per cent. rise in capital investment between 1972 and 1973 as a whole seems to have been reasonable. The big question is how far the forecast of a 15 per cent. jump in capital expenditure next year has been affected by the oil situation.

Other economic indicators also published yesterday show a slowdown in the rate of industrial stockbuilding, but a revival in retail sales after the dip in September.

Food sales

At 111.9 (base year 1971=100) the official index of retail sales in October was 1.3 per cent. above the September level, with marked increases in sales by most categories, except food shops.

Food sales appear to have been hit by the particularly sharp rise in prices recently, and the volume index has now dropped two months running.

Preliminary Government estimates had pointed to a fall in retail sales during October. These did not take into account mail order, where there has recently been a sharp increase in business.

Another important factor in October was the rise in pensions and social security benefits at the beginning of the month, which will have added up to £40m. to purchasing power. There was also a marked rise in instalment credit for consumer durables.

After the spurt last year and earlier in 1973, retail sales have been growing much more slowly in recent months, even allowing for the October rise.

In August-October they were 3½ per cent. above the corresponding period of 1972, and the growth between the first half of this year and July-October has been at an annual rate of less than 2 per cent.

Fuel shortage

According to the Retail Distributors Association there has been little change between October and November.

The other batch of official statistics published yesterday—for industry's stocks—show a rise of £159m. in the third quarter, compared with £224m. in the second and £238m. in the first.

Shortages of materials and fuel were, of course, being widely cited even before the oil crisis, and it turns out that there was an increase of only £2m. in manufacturing industry's materials stocks in the third quarter, against £81m. in the previous quarter.

CAPITAL EXPENDITURE AND STOCKS

		Capital Expenditure Total £m.	Manufacturing £m.	Stocks† £m.
1970		4,217	2,129	+205
1971		4,085	1,968	—145
1972		4,089	1,775	—448
1972	Q3*	1,007	430	—129
	Q4*	1,047	432	—51
1973	Q1*	1,109	465	+238
	Q2*	1,004	447	+224
	Q3(P)*	1,069	473	+159

* Seasonally adjusted; 1970 prices

RETAIL SALES AND INSTALMENT CREDIT

		Retail Sales Volume (1971=100)			New Instalment Credit £m.
1971		100.0	1971		2,053
1972		105.8	1972		2,497
1973	Q1	112.0*	1973	Q1	770*
	Q2	108.2*		Q2	666*
	Q3	110.7*		Q3	720*
	Sept.	110.4*		Sept.	233*
	Oct.	111.9*		Oct.	249*

* Seasonally adjusted.

Apart from physical shortages, stockbuilding must also have been affected in this quarter by high commodity prices and higher interest rates. In the event, manufacturers' stocks output ratio fell to a new low of 87.3 (end 1969=100).

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Cut order to Calor Gas hits chicken farmers

BRITAIN'S CHICKEN farmers and makers of crystal glass are threatened by a severe shortage of liquid petroleum gas after a Government instruction to the oil companies that they must cut supplies to Calor Gas.

The oil concerns have been told to cut by 10 per cent. the monthly allocation to Calor, working from last year's figures. According to Calor, this means a 25 per cent. reduction in the lpg it needs.

The company has started discussions with the Department of Trade and Industry about getting priority status and its major claim is that, although lpg accounts for only around 1 per cent. of the U.K.'s energy requirements, it has special properties which preclude the use of alternatives.

Calor says around 85 per cent. of chickens reared in Britain are reared under its propane gas at farms whose locations would make it very difficult to pipe in other types of fuel.

Crystal glass makers use lpg because it burns with a particularly clear flame and imparts no colour to the finished product.

Lpg is also used extensively by makers of fluorescent tubes and the glass part of electric light bulbs. The Glass Manufacturers Federation reckoned last night that half of the U.K. production of these items would be closed down within four weeks if the supply situation did not improve.

British Rail uses lpg for keeping rail points from freezing.

Calor takes its lpg from 14 refineries (in the market for large supplies of bulk lpg the oil companies themselves are its main competitors) and has been juggling with supplies from them all to keep customers like the chicken farmers and glass industry supplied.

Meriden hopes to re-open this week

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

COVENTRY, Dec. 3.

IMMEDIATE ACTION is being taken to breathe life into the Triumph motor cycle workers' co-operative at Meriden. It was agreed in principle at a meeting on Friday with Mr. Christopher Chataway, Minister for Industrial Development, that the co-operative should be formed to re-open the plant.

To-morrow solicitors representing Norton Villiers Triumph, the parent company, and the workers will meet at the Department of Trade and Industry to give legal substance to the draft agreement.

A new company, Triumph Motor Cycles, Meriden, is to be formed either by acquiring an existing "shell" company and changing the name or by the longer process of registering it as a new organisation. The relevant documents will be lodged with the Lord Mayor of Coventry.

If all goes according to plan, the 500 or so workers who attended to-day's meeting that unanimously accepted the agreement and afterwards "signed on," will prepare the factory on Wednesday for a resumption of work before the end of the week.

Initially, the agreement, means that the Meriden workers will provide management and labour to operate the factory and NVT will purchase all completed machines and sell them. NVT will continue to be responsible for providing components and for all other overheads.

If agreement with NVT on the price to be paid per machine—a unique piece of collective piecework bargaining—can be arrived at, production will begin to flow.

"But," as Mr. Bill Lapworth, South Midlands organiser of the Transport and General Workers Union, which is backing the co-operative, made clear at to-day's Press conference, "until the price is settled there will be no deal. It will require goodwill from both sides."

NVT was set up last July with the help of nearly £5m. of Government funds to create a viable industry from the financial wreckage of the BSA-Triumph concern. Until it was decided in mid-September to close Meriden and transfer production to the BSA factory at Small Heath, Birmingham, Triumph contributed about two-thirds to total U.K. output, and Norton Villiers most of the rest.

Of the 1,750 original employees, about 600 are thought to have found other jobs. The oil crisis will now make this more difficult, so that the numbers wishing to join the co-operative should rise, particularly as Meriden has a reputation for being a "family" factory.

Mr. Dennis Poore, NVT chairman, welcomed the proposed settlement. It would not affect NVT's plan to re-establish the U.K. motor cycle industry which, subject to no further interference, could now proceed in accordance with previous announcements. It would in particular enable full production of three-cylinder Tridents at Small Heath to be started earlier than at one time seemed likely.

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